FBIS DAILY REPORT

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NEW STRIKE CALL IN PANAMA RECEIVED 'COOLY'

PA082230 Havana International Service in Spanish 2300 GMT 4 Jul 87

[Text] The new strike called on Friday by the Panamanian rightist political parties and businessmen who are totally involved in the destabilization campaign promoted by the United States was very cooly received. Most of the businesses opened on Saturday, and construction work was carried out normally. Other offices, like banks and industries, were closed because today is a nonwork day.

According to reports received, Panama City remains calm following several weeks of demonstrations to protest U.S. intervention in Panama's domestic affairs and to request attention concerning several popular demands. The Panamanian newspapers and radio stations continue to broadcast messages repudiating the recent anti-Panamanian resolution issued by the U.S. Senate.

ENVOY TO UN SPEAKS ON U.S. ACTIONS AGAINST PANAMA

FL081622 Havana Radio Rebelde Network in Spanish 2300 GMT 7 Jul 87

[Text] Oscar Oramas, Cuban ambassador to the United Nations, has stated at the United Nations that the United States has no right to interfere in Panama's internal affairs and to try to topple its government. The Cuban ambassador said that with these actions, Washington is attempting to annul the canal agreements and prevent the canal from reverting to the Panamanians. Oramas has called on the Nonaligned Movement to condemn the economic blackmail and the campaigns to discredit Panama. He declared that what is at stake is the people's right to decide their own destiny.

ANC PRESIDENT TAMBO DISCUSSES CARIBBEAN TOUR

FL030327 Havana Television Service in Spanish 0000 GMT 3 Jul 87

[Text] Oliver Tambo, president of the African National Congress, ANC, departed our country today en route to Jamaica as part of a tour of the Caribbean. Jorge Risquet Valdes, member of the Communist Party of Cuba Central Committee, said farewell to the African leader at the airport.

One of the principal events the African struggler will hold will be an international conference against apartheid in Tanzania during the first week of December.

Tambo will also visit Nicaragua, Venezuela, Trinidad and Tobago, and Guyana.

[Begin Tambo recording in English followed by Spanish translation] They have expected me in Nicaragua for many years, and I have not been able to make the trip until now. And the same applies to all the others. I am able on this occasion to visit them, but they invited me a long time ago. I suppose I will be discussing the situation in southern Africa -- specifically, in South Africa itself. [end recording]

U.S.-MEXICAN 'TENSION' 'RENEWED' AT MEETING

["Our America" commentary read by Manolo Ortega]

PA071345 Havana International Service in Spanish 2300 GMT 3 Jul 87

[Text] The tension between Mexico and the United States was renewed at the U.S.-Mexico interparliamentary meeting. The U.S. attacks on the foreign policy the Mexican authorities have traditionally maintained are the main causes of that tension.

One can suppose that if the U.S. ambassador to Mexico himself admits both countries have very different views concerning Central America, the disagreements must exist, more so because Mexico has not changed its principles of respect for the peoples' right to self-determination.

It is important to point out that in the sixties Mexico was the only Latin American country that did not break relations with Cuba when the United States imposed a total blockade on it. Since then the U.S. wrath -- slyly or openly -- sometimes explodes against Mexico, which in addition to being a member state of the Contadora Group -- since the foundation of the group -- has also maintained and defended what it considers an unpostponable need: to prevent the generalization of the war through Central America and to promote regional economic stability to prevent greater tensions.

Washington's policy, on the contrary, promoted a $20-billion investment in Central America between 1979 and 1986, which when all is said and done represented 2 million refugees and 200,000 deaths as a result of seemingly endless wars.

The situation can be summarized as follows: While Mexico promotes peaceful formulas to resolve the Central American crisis, Washington -- to give only one example -- promoted the reactivation of military pacts such as the Central American Defense Council, CONDECA, last August.

It is necessary to point out that while the Pentagon conducts enormous war maneuvers in Central American and the Caribbean and arms and turns Costa Rica and Honduras into unconditional military allies, Philip Habib, President Reagan's special envoy for the region, sabotages each of the Contadora Group initiatives with his whirlwind, trips to the countries controlled by the United States. The most recent proof of this system of making war with diplomatic weapons was given by Habib himself, who by his last trip to the region caused the postponement of the Central American summit, in which the area presidents would discuss a plan not viewed with complete favor by the United States.

The U.S. Govenment has constantly sabotaged the Contadora Group initiatives; Mexico -- because of its firm attitude within that group -- has been the subject of constant and specific pressures -- especially economic ones -- to change its attitude toward Central America.

In the last few years, the United States has passed laws that consolidate a form of trade protectionism highly harmful to the Mexican economy. For example, at present, according to the Mexican paper EL FINANCIERO, the U.S. Congress is discussing over 300 bills that will greatly reduce Mexican exports.

If to that one adds the application of the new Simpson-Rodino immigration law, which forces over 3 million Mexicans to return to their country, it is not difficult to realize that blackmail and pressure continue being the weapons used by the undesirable neighbor, which despite everything has not been able to break Mexico's firmness.

MEXICAN PARLIAMENTARY DELEGATION VISITS HAVANA

FL072257 Havana Radio Reloj Network in Spanish 1932 GMT 7 Jul 87

[Text] Deputy Jorge Montufar, secretary general of the Mexican Chamber of Deputies Grand Commission, has met in Havana with Severo Aguirre, vice president of the National Assembly of the Peoples' Government [ANPP]. Montufar, who is a PRI member, traveled to this capital heading a parliamentary delegation at the invitation of the highest organ of the country's state government.

Aspects of mutual interest and relations between the two parliaments were discussed during the meeting. Talks on this have been held before aimed at achieving closer and more permanent ties. The Mexican deputy extended fraternal greetings from the Mexican Chamber of Deputies and showed interest on the work of the ANPP and its next regular period of sessions.

SALVADOR'S OCHOA SEEN AS POSSIBLE PRESIDENT

PA030407 Havana International Service in Spanish 2300 GMT 30 Jun 87

["Our America" commentary read by Manolo Ortega]

[Text] Despite all the controls and security measures imposed by its occupants, the military base of El Paraiso in the Salvadoran department of Chalatenango was the target of an unexpected and devastating attack by the Salvadoran rebels on 31 March. Shortly afterward, during a secret visit to El Salvador, Fred Ikle, U.S. under secretary of defense, and a group of 30 experts, advisers, and consultants analyzed the causes of the disaster, which was perhaps the most costly of the low-intensity war waged by Washington in the smallest of the Central American nations. The final result, it was reported, was not very flattering to the more than 100 U.S. advisers posted to Salvadoran Army bases. It concluded that their security methods, based on sophisticated technology, are incapable of providing 24-hour mobile patrols.

However, the basis for this commentary, which ties in with the El Paraiso episode, is that the security plan now considered invulnerable was the one that existed at the base when it was under the command of Colonel Sigfrido Ochoa, recently retired chief of the 4th Infantry Brigade, who maintains ultrarightist positions. This evaluation extols -- amid the most right-wing groups -- the image of Ochoa, who maintains frank disagreements with the military leadership that surrounds Jose Napoleon Durate and who is even described as an uncontrollable boy by the U.S. Embassy in San Salvador, popularly christened Fort Apache.

The consequences of tne El Paraiso attack are taking shape in movements within the military commands, cloaked under the guise of an internal reorganization. This in turn points out Sigfrido Ochoa as the man to whom the ultraright sector is turning its gaze with an eye to the 1989 presidential elections.

Ochoa would replace Major Roberto D'Aubuisson, notorious terrorist and death squad leader, who is implicated in the killing of Bishop Oscar Arnulfo Romero and whose tarnished record makes him unacceptable by the pseudodemocratic tactic that Washington is implementing in El Salvador.

In this case Sigfrido Ochoa appears to have a clearer record, even though he harbors the same criminal leanings and instincts that characterize his colleague D'Aubuisson and the rest of the ultraright wing, which is clamoring for uncontrolled and brutal violence to put an end to the guerrilla movement. Ochoa appears to have the full support of the National Association of Private Enterprise, the Salvadoran Association of Industrialists, the Movement of National Association, and other influential groups, which, despite the brutality of the Jose Napoleon regime, still consider it lax in its repressive activity.

Nonetheless, Ochoa will have to pass U.S. screening to have any possibility of victory over the tendency that Washington so far favors in El Salvador. In that sense, the possible ultraright-wing candidate has several cards working against him, including his criticism of the military action the United States is promoting which the current hierarchs of the domestic military leadership obey blindly. Despite this, Sigfrido Ochoa enjoys a certain degree of popularity among the mid-level ranks and the troops involved in genocidal actions, which consider him an energetic and merciless leader, a real tough guy with a brutal mentality and actions.

CENTRAL AMERICAN ECONOMIC OUTLOOK VIEWED

PA051202 Havana International Service in Spanish 2300 GMT 1 Jul 87

["Our America" commentary read by Manolo Ortega]

[Text] Many believe that because Central America is geographically small it could be less of a problem when foreign debt consequences for these countries are discussed. This is not so. The foreign debt, with its consequences of unemployment, unequal trade, inflation, and hunger, equally attacks all countries from the Rio Grande to Patagonia.

If one thinks of the unpredictable social consequences that the debt causes all Latin America, one should not assume that a different future awaits the five Central American countries, on which identical plans and solutions are imposed by the IMF, the World Bank, and other entities.

A report published in May by ECLA says that in the coming 3 years, the Central American countries will have to pay more than $10 million [figure as heard] to international banks in interest alone. According to economic analysis, each Central American owes credit organizations more than $660, and this reality become even harsher because the region has only a subsistence economy.

If the economic information covering Central America is studied closely, one can see a sudden drop. In 1978 and 1979 the region's economy suffered stagnation, followed by an abrupt drop in 1980. To date, productive activities have been unable to recover. The depression caused the income in 1986 for each inhabitant in Costa Rica, Guatemala, and Honduras to drop below what it was 10 years before, and to an equivalent of only what it was at the beginning of the 1960's in El Salvador and Nicaragua.

In all this tragedy much has been influenced by the drop in regional prices, readjustment in oil prices, and the severe worsening of trade terms, factors that have made more acute the foreign trade imbalance and hastened indebtedness.

The most serious thing of this dark outlook is that both ECLA and SELA forecast for 1987 and 1988 a worsening of the area's economic crisis. These organizations say the main problems that affect this outlook are the constant drop in prices of raw products and the high level of U.S. trade protectionism. For example, the reduction of the U.S. sugar import quota means that in 1987 Central America will suffer a loss of more than $45 million. If this were not enough, the EEC decreed the suspension of banana imports from Latin America during all of 1987. The closure of the European market, which takes nearly 40 percent of world banana imports, will mean a loss of more than $200 million to the Central American countries.

If to all these problems one adds the war encouraged by the United States, which economically wastes the area countries, one can conclude that the Central American countries urgently need solutions for controlling the regionalization of the conflict and which promote domestic peace. This, logically, would be an important factor in attaining firm stability. The rest is in the hands of international banks, which do not seem willing to take the pertinent steps, despite the threat of imminent social upheavals that are nearing.

CHILEANS WANT CHANGE FROM PINOCHET REGIME

PA040152 Havana International Service in Spanish 1600 GMT 29 Jun 87

["Topics Feature" -- weekly meeting of Radio Havana commentators, with Elena Nunez, Nestor Nunez, and Amalia Sanmartino]

[Text] [N. Nunez] To begin this program, we should briefly analyze the two basic aspects affecting the Chilean situation. First, repressive violence continues in Chile, and second -- I think another interesting aspect of today's Chilean situation -- there are the statements made by some members of the military junta and other officials linked to the regime concerning the possibility of replacing Pinochet with a young civilian. In other words, this would be a change that has been suggested before and is opposed by the dictator -- in this case, Augusto Pinochet -- who wants to stay in power and even hold a plebiscite in 1989.

[E. Nunez] I think we should briefly stop here and refer to the terrible repression the Pinochet regime is now conducting. A good example of this is the recent murder of 12 youths -- alleged members of the Manuel Rodriguez Patriotic Front. As a matter of fact, this has led to a wave of protests in the country. It is believed this is part of the so-called "Operation Albania" that seeks to eliminate all opponents who favor armed struggle to oust the Pinochet regime. It is also believed the increase in repression is within the framework of further actions that seek to show all conditions are not ripe yet in Chile to call for free elections, which is precisely what the majority of the people want. This is opposed to the constitutional rule of holding a plebiscite in 1989 where it would be determined whether Pinochet or another candidate proposed by the government junta would rule the country as of 1990.

[N. Nunez] That's right, Elena. Now concerning the repression, one must recall that prior to the events you have mentioned -- the 12 alleged members of the Manuel Rodriguez Patriotic Front who were murdered by the repressive forces -- there were demonstrations that caused the arrest of several newsmen and newspaper and magazine publishers who published some reports and analyses that opposed the positions of the military junta and Pinochet. In fact, you were talking about a very well-organized operation, and we must say the U.S. counter-insurgency centers trained the Chilean Army very well in this type of repressive action. We recall the Manuel Rodriguez Patriotic Front recently issued a document that shows the repressive structure and the specific plan that has been very well prepared by the dictatorship to put an end to the most serious opponents.

[E. Nunez] That is the internal security plan.

[N. Nunez] Yes, the internal security plan. To this effect, we must say the country has been divided into six operational zones for the so-called internal war -- a phrase coined in the United States -- and the troops involved in these actions total approximately 137,000 men in uniform, of whom 50,000 belong to the Army, some 34,000 to the Air Force, and 30,000 to the military police, in other words, the Carabineros [all figures as heard]. According to sources, this plan was prepared in 1973; in other words, this was prepared at the time of the fascist coup, and it is very enforced under the guidance of the U.S. subversion corps.

This plan also contemplates what is called external war, in other words, attempts and terrorism against members of the opposition in exile. For example, we recall the murders of Orlando Letelier in Washington and General Carlos Prats in Buenos Aires, as well as Mafia-like operations carried out as part of this plan.

[Sanmartino] I wanted to say that within all of this repressive outlook of Chile, Pinochet has issued a number of measures that cater to the people, you might say. For example, he now wears civilian clothes when he appears on television. He apparently wants to erase the image of a dictator.

[N. Nunez] The uniform.

[Sanmartino] Yes. In addition, he has issued lists of persons who may return to the country. These lists must also be taken with a grain of salt. They include deceased persons, missing persons, and some relatives are not included. For example, some children are not included on the lists with their parents. Apparently some persons may return, but not their children. In other words, it is a strategy in contrast with the large repressive measures. As you said a few minutes ago, these repressive measures have increased tremendously. One must not forget those who were torched not so long ago, and many other things that are increasing. Violence is increasing, and it cannot be hidden with these measures such as allowing the exiles to return. This also means the economic outlook in Chile is very bleak.

I remember we talked about this a few months ago. Several U.S. officials visited Chile and advised Pinochet to loosen up a bit on the repression. We do not know if they have a person appointed to make the change. They are probably thinking of a change, in view of the statements made by high-ranking members of the junta and the pressures exerted by the U.S. Government over Pinochet. As Jose Toribio Merino, commander in chief of the Navy, and Fernando Matthei, commander in chief of the Air Force, recently said, there might be a young civilian who could replace Pinochet, and he would probably be a member of the center right.

We think the Christian Democratic Party is not exactly the group the military would choose, but rather a civilian who is not too well known. This does not rule out that Pinochet will continue to hold a firm grip, and will decide -- at any rate -- to hold the plebiscite in 1989. It is interesting to emphasize what we said before: Both the United States and some sectors of the Chilean right, including the military, want to get rid of Pinochet. This would not be strange at all, because this is not a new maneuver. It was used in Haiti, and there are also plans to use it in Paraguay.

[N. Nunez] In the Philippines, too, I guess.

[Sanmartino] Of course.

[N. Nunez] With Ferdinand Marcos.

[Sanmartino] In other words, all political movements are heading in that direction. I repeat, Pinochet is stubborn in his stand. However, the increase of repression could lead to the adoption of drastic measures by the rightist groups, and if they already have a civilian, then they would place him in power. In other words, this also means there would not be any changes in Chile. At least, the international community would feel there is not a bloody dictator in Chile, and this image would be improved.

[N. Nunez] Yes, Amalia. I think there is another important aspect we shold discuss before we close the program. The level of the people's struggle in Chile has substantially increased in recent times. I think there is a higher level of confrontation with the dictatorship. There is a Manuel Rodriguez Patriotic Front that is very well organized and continuously carrying out armed actions. I think the leftist opposition sectors have been recently closing ranks. The most important part of all this is that I think the Chilean people understand perfectly well the maneuvers to replace Pinochet or the repression -- that is, the combination of Pinochet's political maneuvers with repression. I think that a change, Haitian or Philippines style, will be much more difficult in Chile, as a result of the points we have mentioned.

[Sanmartino] For several years now, there have been demonstrations by the people, and these have been increasing. All of this shows the people very clearly specify they do not want a substitute Pinochet, but rather a change.

[N. Nunez] They want a radical change in their situation.

EFFORTS TO REPEAL URUGUAYAN AMNESTY LAW VIEWED

PA022103 Havana International Service in Spanish 2300 GMT 28 Jun 87

["Our America" commentary]

[Text] According to estimates, approximately 450,000 signatures had already been obtained by mid-June to call a referendum on the so-called full stop law approved by the Uruguayan Congress. Working on this for several months have been political organizations, trade union, and human rights groups, which must collect over 550,000 signatures to be able to repeal a piece of legislation that has become a source of conflict for the entire society.

The issue of the kidnapped and missing people is keeping the desire for justice alive, particularly because the military officers who relinquished power in March 1985 had refused even before the approval of the law to appear before civilian courts to stand trial for their abuses committed during the military regime.

A senior military officer cynically and coldly said recently: The repression during those years was a war, and we won. Therefore, winners are not tried. This evidently sets forth the position that has been upheld and defended by policemen and military men. They are taking shelter under this law, which, far from providing an immediate solution to the problem of the missing people, as the authorities expected, has only exacerbated the polemics. According to the humanitarian organization Peace and Justice Service, the topic of amnesty has become an obstacle to conciliation among Uruguayans. As long as the abusers are not tried the unrest will linger on, not only because of the absence of justice but because the future will be fraught with threats.

Meanwhile, the men in uniform, and more concretely the Army Intelligence Service, have drawn up a document in which they analyze the country's political situation, emphasizing, however, what they characterize as pressures against the Armed Forces. The document in question is the result of an Army investigation into the political parties, trade unions, and other groups that are now gathering the signatures required for the referendum. Some of the news media received the mentioned military analysis and this forced the defense minister to state that the document is unimportant and that the interest in it has been distorted out of proportion.

Actually, besides analyzing the behavior of the political parties and particularly their position with regard to human rights, the report analyzes the balance of forces within the leading Uruguayan trade union organization and the situation of public officials, the church, and the managerial sector.

It can easily be surmised from this intelligence report that the concerns of the Uruguayan Armed Forces extend beyond the possibility of holding talks with the authorities. Since the results of the referendum may be unfavorable to the military, it may not continue to escape action by the courts and, consequently, the command echelons are preparing for future actions.

COUNTRY RETURNS TO NORMAL AS STRIKE ENDS

PA081932 Buenos Aires REUTER in Spanish 1803 GMT 8 Jul 87

[Text] Port-au-Prince, 8 Jul (REUTER) -- Haitians returned to work at the end of the longest strike in the history of the country.

Buses and automobiles reappeared in the city streets, businesses and supermarkets opened their doors, and sidewalks were full of people going to work.

Radio broadcasts from various regions of the Caribbean nation reported that Haitians were also returning to work in other parts of the country. Radio stations that had been giving frequent information throughout the 8 days of the antigovernment strike, resumed broadcasting musical programs.

Soldiers killed approximately 20 persons, including some women and children, and wounded dozens more during last week's protests. Several soldiers also died during these confrontations.

Today the organizers ended the strike indefinitely but reaffirmed their intention to continue exerting pressure on the civilian-military government to cease attempts to hinder Haiti's transition to democracy scheduled for 1988.

Representatives of 57 political and social groups who organized the strike called a news conference in which they decreed a day of mourning for tomorrow and announced a demonstration to be held Friday.

Tension in Haiti has decreased and there has been no violence since Friday, when the last deaths because of the strike occurred. The government also decided last week not to implement a controversial plan to exert partial control over the elections.

The government is attempting to lead Haiti into democracy after almost three decades of brutal dictatorship, which came to an end when Jean-Claude Duvalier fled the country in 1986.

TRADE UNIONS STATE POSITION ON SITUATION

FL081744 Port-au-Prince Domestic Service in Creole 1300 GMT 8 Jul 87

[Text] Here is a joint statement sent to us by the four trade union federations, CATH/CLAT [Autonomous Central of Haitian Workers/Latin American Central Organization of Workers], FOS [Federation des Ouvriers Syndiques -- Federation of Workers' Unions], and CNEH [Confederation Nationale des Enseignants Haitiens -- National Federation of Haitian Teachers].

We, the four union federations -- CATH/CLAT, FOS, CATH, and CNEH -- which represent blue and white collar workers in Haiti, think the time has come to establish our position on the current ticklish situation here.

Considering how the National Government Council [CNG] has greatly alienated the government from the rest of the population; made the Haitian people pay in blood for their own violation of the Constitution; has never issued a decree repealing the order dissolving the CATH; and issued a communique from the Ministry of Social Affairs asking the CATH to change its leadership, we declare that the withdrawal of these insidious decrees is not sufficient to restore the Haitian people's confidence in the CNG; not as long as all the criminals who murdered the children of the Haitian people remain in their posts and thus are able to repeat their acts at any time, especially during an election period when there may be much division.

Therefore, we the four union federations believe the CNG needs to change its spots as has been demanded by the Haitian people. We do not believe in people; we believe in institutions. That is why we are asking the human rights organizations, political organizations in which the Haitian people have confidence, political organization in which the Haitian people have confidence, honest political parties, churches, and the honest sector of the armed forces to shoulder their responsibilities. Considering the trust the Haitian people have placed in the Provisional Electoral Council [CEP] we think it has an important role to play in the negotiations which will bring about this change. We think that such a position is not incompatible with its role, because no elections are possible if the country's current situation is not resolved. The four unions think it is clear to everyone that effectiveness comes from solidarity. We ask all Haitian workers to join the unions and we assure them that the four federations will remain autonomous while coming together. This is the sole guarantee that the workers' interests will be defended regardless of the government in power.

OPPOSITION GIVES NAMPHY RESIGNATION DEADLINE

PA090222 Paris AFP in Spanish 0013 GMT 9 Jul 87

[Text] Port-au-Prince, 8 Jul (AFP) -- The committee coordinating the general strike in Haiti proposed today in Port-au-Prince the establishment of a new CNG and stated that it will "make a new call to the people," if General Henri Namphy does not resign "before Monday morning at the latest."

According to the official account of the Port-au-Prince General Hospital cited by Radio Haiti-Inter, in the last few days 20 people were shot to death, 1 was clubbed to death, and at least 135 others were injured.

According to the committee, which is comprised of 57 organizations and which led the movement against the CNG in the last few days, the new council should be composed of Claudette Werleigh, a female representative of the rural sector; Gerard Duclervil, a representative of the democratic-religious sector; Felix Kavanagh, vice president of the court of appeals; one representative of the Army, and one of the organizations for the defense of human rights.

At the news conference, three of the spokesmen of the committee stated the president of the CNG would be elected from its members and the Army representative "would be an officer of the general staff, who follows Gen Namphy and General William Regala, interior and defense minister and CNG member, in hierarchy.

The new CNG will have to particularly "guarantee the application of the Constitution," "administer the country's regular affairs," "give all the necessary means to the CEP to organize free and honest elections," "assure peace and security in the country and respect for national sovereignty," and "satisfy the people's urgent demands."

An interdepartmental council formed 15 days after the installation of the new CNG would help the CNG in its governmental tasks. The council would be composed of two representatives for each department who would come from the democratic, socio-professional, and labor organizations. The new CNG will have to consult with this council in regard to establishing the government.

The committee urged the people to "support" the new CNG by giving massive support throughout the country to the demonstrations organized for Friday. Similarly, the committee stated it was willing to discuss the conditions for the transfer of power.

"If Gen Namphy refuses to give up power by Monday morning at the latest, he will be proving he opposes the people's right to sovereignty. The committee will then make a new call on the people to adopt new forms of peaceful struggle," the spokesmen said.

Similarly, the spokesmen said their proposals are in accord with the Constitution and are the fruit of an agreement of the 57 organizations and "other sectors throughout the country."

The representatives of the three main organizations that are part of the committee -- Serge Gilles of the Patriotic Unity Bloc [Bloque Unidad Patriotica]; Victor Benoit of the National Committee of the Congress of Democratic Movements [Comite Nacional del Congreso de los Movimientos Democraticos]; and Daniel Narcisse of the Coordinating Committee of Democratic Forces [Comite de Coordinacion de las Fuerzas Democratricas] participated in today's news conference.

Gerard Duclervil, one of the proposed members of the new CNG, a layman linked with church development programs for the needy neighborhoods in Port-au-Prince, was imprisoned and tortured by Duvalier's political police from December 1982 to February 1983.

Claudette Werleigh works for the Catholic organization CARITAS and is in charge of the programs for swine repopulation, which is essential for Haitian peasants.

Kavanagh is a 72-year-old magistrate.

JAMAICA

MANLEY ATTACKS GOVERNMENT ON LABOR MATTERS

FL061511 Bridgetown CANA in English 2205 GMT 4 Jul 87

[By Paget de Freitas]

[Text] Kingston, Jamaica, July 4, CANA -- Leader of the main opposition Peoples National Party [PNP] Michael Manley sharply attacked governments record on labour matters today and pledged to legislate the right to strike and introduce an industrial court should his party regain the government. Manley also called for labour movement understanding and support for what would a sympathetic government.

He was speaking in his capacity as president of the National Workers Union (NWU) at the opening of its 22nd national congress.

The working class movement has been treated more cruelly, with more disregard and sometimes more savagely (by the Edward Seaga administration) than at any time in the last 40 years of the country's history, Manley said. He charged that by conservative estimates more than 40,000 people had been made redundant under Seaga since 1981, and that the administration had rolled back labour legislation promoted by the PNP government of the 1970's. Jamaica has an economic strategy that is based on the subjugation of the working class, the PNP leader said.

Manley also criticised court rulings here that a group of workers who went on strike had abandoned their jobs, and a change in the industrial relations law allowing the minister of labour, without the consent of the other parties, to send a matter to the Industrial Dispute Tribunal. He said the change in the law could be used to circumvent the bargaining process and the build up of trust between labour and management. Manley promised to repeal the amendment. He added: We will make it absolutely clear that strike action does not terminate the contract. The strike action suspends, but it does not terminate the contract.

He suggested that the Jamaican judiciary, despite its independence, had ruled against workers, in a number of cases because of environment created by the government.

Manley said the PNP would establish an industrial court, to bring out of the general environment of criminal and commercial law, industrial relations that were part of a set of on-going, dynamic relationships.

It was Manley's first major public speech since a second surgery in April for an intestinal complaint, and he spoke for more than an hour. He declared both himself and the PNP fit and ready for government. Saying that elections could be held here next month or next year and were likely to bring a change of government, Manley noted: I can assure you that we are ready. I can assure you that I am ready.

He acknowledged that the PNP government of the 1970's had made mistakes, but said that party also had a proud record and the capacity to be self-critical.

A PNP government would return to its former position of regular dialogue and consultation with trade unions, which labour leaders have complained was lacking under Seaga. Manley said it was ironic that during his prime ministership there were regular, and often irresponsible strikes, while during this period, when the labour movement was under pressure, there were fewer strikes. Labour should bear this in mind, he suggested and seriously consider approaches for the future.

On economic policy, Manley said: Always it is the poorest and weaker countries who make the adjustments, always it is the poorest in those countries who are asked to give up most. It is those who have least who are asked to give most.

INTERPARLIAMENTARY MEETING SEEN AS 'ENCOURAGING'

FL011912 Mexico City NOTIMEX in Spanish 1540 GMT 1 Jul 87

[NOTIMEX commentary by Eugenio Lopez Arteaga: "Lots of Parliaments; Little Understanding"]

[Excerpts] Mexico City, 1 Jul (NOTIMEX) -- After 27 interparliamentary meetings between Mexico and the United States, little progress has been made toward the goal of increased understanding betwen the two nations. However, to avoid extremes of pessimism, let us say that the last one, which has justed ended in Cancun, is one of the few such meetings in which some small progress was made in the desired direction.

To tell the truth, this result is quite surprising, because the interparliamentary meeting did not exactly get off to a good start. Indeed, on the first day, both sides -- ours in particular -- opened fire. Happily, events later took a different turn, and the joint communique released on Sunday reveals some convergence of opinion, which is highly encouraging.

Such meetings are supposed to be marked by a sincere spirit of cooperation, understanding, and goodwill. However, they customarily turn into a forum for reproaches, accusations, and sharp words that reflect everything but a desire to understand each other and to conduct the affairs at hand in peace. [passage omitted]

For example, in his opening speech, Nicolas Reynes Berezaluce, president of the Mexican delegation, told the other party: We cannot believe, we refuse to accept that, within the framework of the law and international civilization, certain states (the emphasis is ours) should attempt to trample on the sovereignty of other nations through economic and political aggression in their desire to achieve an imposed transnationalization; this would aggravate the acute situation of the civilized world for which we are struggling. [passage omitted]

Of course, the U.S. legislators are not exactly models of diplomacy, either. Christopher Dodd, in turn, said our countries will never be able to resolve their problems by blaming each other. He even dared to invoke the Jaurez Doctrine in an inappropriate attempt to be convincing. Dodd should have ignored the words of the head of the Mexican delegation, instead of committing the same error of aggressiveness.

Be that as it may, what matters is that in the end, things were patched up, and the Mexican delegaton achieved important points in its favor, at least according to the communique. [passage omitted]

GUATEMALAN FOREIGN MINISTER ARRIVES FOR TALKS

PA070404 Mexico City Red Nacional 13 Imevision Televison in Spanish 0130 GMT 6 Jul 87

[Text] Guatemalan Foreign Minister Mario Quinones has arrived in Mexico to begin a visit to the Contadora member countries and the Central American countries to arrange details of the summit meeting to be held 6 and 7 August in Guatemala. During his stay in Mexico, he will meet with Mexican Foreign Secretary Bernardo Sepulveda Amor, with whom he will discuss the Central American crisis and possible solutions. He said the Contadora positions will be discussed to start consultations. He added that the United States has not meddled in the course of peace meetings and has been respectful of Guatemalan neutrality.

11 REPORTED INJURED IN POLICE, UNION CLASH

PA090440 San Salvador Canal Doce Television in Spanish 0200 GMT 9 Jul 87

[Text] Eleven people injured, including reporters, policemen, and workers, was the result of a shooting incident this morning at the Salvadoran Social Security Institute. The incident took place after a group of marching trade union members entered the building guarded by more than 200 policemen. Mauricio Funes will now report:

[Begin recording] The trade union members rallied in front of the Social Security Institute and tried to storm the building. The policemen guarding that institution barred their entrance. This caused the incidents we will now present. [shouts, the sounds of general commotion, and a police siren are audible] We reporters managed to take refuge under desks. We were able to confirm that the shots originated inside the building. The shooting began immediately after policemen and union members grappled with each other. [shouts and commotion audible, as well as rapid arms fire]

A few minutes later, when the situation appeared to have returned to normal, more shots were heard. It was at that time that the first wounded were observed, including two reporters of Canal Seis, who asked for a halt to the firing so they could get out. [Words indistinct] The bursts of fire continued for a few seconds more. [shouts, shots audible]

Once the shooting stopped, we took Ricardo Sanchez, EL NOTICIERO columnist, to the 1 May emergency unit. According to preliminary reports, Ricardo had been wounded twice, in the leg and in the arm. The other wounded reporter was Hector Salazar, who was injured in his stomach by chips from the ceiling. We also confirmed that at least seven trade union members of [words indistinct] were injured. They were immediately taken away by a Social Security ambulance. Several policemen were also injured in the incident. They were taken to the Military Hospital. [end recording]

GOVERNMENT, OPPOSITION GROUPS REJECT DELVALLE BAN

PA081640 Paris AFP in Spanish 1558 GMT 8 Jul 87

[Text] Panama City, 8 Jul (AFP) -- Both the Panamanian opposition and groups that support Eric Delvalle rejected last night's presidential decree banning demonstrations scheduled for Thursday and Friday of this week.

Balbina Perinan, major of the densely-populated San Miguelito district, stated that despite the call by President Delvalle, Torrijists will continue to organize the march on Thursday [9 July] "in defense of national sovereignty."

Meanwhile, Christian Democratic Party leader Ricardo Arias Calderon also warned that the opposition will pay no heed to the presidential decree and that it will take to the streets on Friday [10 July] as planned to reiterate demands for "democratization."

In another development, there were rumors today in the Panamanian capital about the possible resignation of Vice President Roderick Esquivel. Esquivel called a news conference for noon today, and one of his children said the vice president will make a "very serious" announcement.

Oppostion sources claimed today that several antigovernment demonstrators were injured by gunfire last night in the downtown area of the capital during a violent clash with Torrijists.

UNADE 'COMMUNIQUE': 9 JUL DEMONSTRATION POSTPONED

PA081727 Panama City Domestic Service in Spanish 1636 GMT 8 Jul 87

[Communique issued by the National Democratic Union, UNADE, in Panama City on 8 July 1987]

[Text] Communique to the Panamanian people:

The committee responsible for the organization of the great meeting for national dignity and sovereignty, together with the national executive committees of the parties that make up the UNADE, have agreed to temporarily postpone the meeting scheduled for 9 July. This postponement was agreed upon after meetings among our organizations and in compliance with the orders issued by President Eric Arturo Delvalle, who has expressed his willingness and committed his personal efforts and the efforts of his office to maintaining the current constitutional system, with the cooperation of the parties that make up the UNADE, and to suppressing any type of provocative maneuver that persons or groups seeking to disturb public order may attempt.

By temporarily postponing the popular meeting scheduled for 9 July, the organizing committee and the UNADE national executive committees express their firm determination to comply, in every possible way, with the orders issued by the president in a decisive step toward achieving a dialogue that will allow all the Panamanians to recover peace and harmony that, thanks to the process begun in 1968, have been maintained within the Panamanian family. This measure also must be understood as an expression of the wishes of the majority of the Panamanians who want a climate of peace in which respect and tolerance will prevail.

The national executive committees that make up the UNADE call on all members and patriots to remain in a permanent state of alert to confront, should this become necessary, those who, ignoring the peaceful attitude of the president, may attempt to lead the country into an unsurmountable and sorrowful situation.

TV-2 DID NOT CARRY DELVALLE COMMUNIQUE

PA081514 Panama City LA PRENSA in Spanish 8 Jul 87 p 1 A

[Excerpt] In a last-minute anncuncement, broadcast [on 7 July] by all television channels with the exception of TV-2 [Panama City Televisora Nacional, the National Defense Forces station], President Eric Arturo Delvalle's government banned the public rallies scheduled for tomorrow, 9 July, and the day after tomorrow, 10 July, to prevent -- according to the official communique -- any confrontations between the opponents and the supporters of the government.

The progovernment Democratic Revolutionary Party had called for a "nationalist" rally to support Delvalle and General Noriega, who had announced he would deliver the closing speech at the rally. Meanwhile, the National Civilianization Cruzade had called for another rally on Friday to conclude a growing week of citizens' protest against the regime. [passage omitted]

LA PRENSA BERATES SUSPENSION OF RIGHT TO ASSEMBLE

PA081602 Panama City LA PRENSA in Spanish 8 Jul 87 p 1

["As of Today" column]

[Text] The Panamanian president, who likes to quote the Constitution so much to support his questionable decisions, has now resorted to an unacceptable interpretation of Article 178 of the Constitution, which empowers him "to oversee the maintenance of public order." His objective was to issue a decree suspending the freedom of assembly. Article 38 of the Constitution states: "The residents of the republic have the right to meet peacefully and unarmed for lawful purposes. Outdoor demonstrations or meetings do not require permits, and only a 24-hour prior notification to the local administrative authority is needed to hold them. The authorities can take police measures to prevent or repress abuses in the exercises of this right when the way in which it is exercised causes or might cause disruption of traffic, disturbance of the public order, or violation of the rights of third parties." That right to assembly only ceases when constitutional guarantees are suspended through a decree agreed upon by the cabinet council, something that has not occurred at this time. The president cannot on his own suspend or prohibit the right to assemble. He can adopt police measures to prevent or repress abuses in the public demonstrations and rallies but not prohibit them as he has now done. What the president should have done but did not do -- for reasons that are widely known -- was to affirm his presidential authority to prevent paramilitary bands armed and financed by his government from attacking and wounding citizens who were peacefully demonstrating and from causing heavy damage to private property. That would have been an action "to watch over the maintenance of public order." [paragraph continues]

It is evident that the damage and the disorders, which were deliberately caused by the government's paramilitary groups, have been used as a pretext to deprive the people of their constitutional right to assembly. In short, the president has clearly violated the Constitution he promised to fulfill.

PRIVATE SCHOOL TEACHERS CALL STRIKE FOR 10 JUL

PA081619 Panama City LA PRENSA in Spanish 8 Jul 87 p 7-a

[Text] The Association of Private School Teachers, in a special assembly held at the Arts and Sciences Atheneum, aware of its civic and labor duties and its strict vocation to promote democracy and the values of every civilized society, has issued a communique declaring a militant strike in all private schools throughout the country until the requests made by the National Civilianization Crusade are met.

In addition, the teachers denounce the constant threats against the private schools and the climate of institutional violence that imperils the life, property, and honor of the people, particularly the studious youth of our homeland. The teachers also denounce the persecution and incarceration of citizens, including teachers, who are defending justice, democracy, and civil liberties.

The association has also called a complete work stoppage for Friday, 10 July, in all private schools and colleges to allow the teachers to attend the great rally that will begin at the Republic of Venezuela School (where the teachers will meet) at 1400 on Friday.

Finally, the teachers hold General Manuel Antonio Noriega, commander in chief of the Defense Forces, and President Eric A. Delvalle directly responsible for any attempt on the life and honor of any citizen.

AMBASSADOR WARNS OF 'IMMINENT U.S. INVASION'

PA040351 Managua Domestic Service in Spanish 0326 GMT 4 Jul 87

[Text] Caracas -- Panamanian Ambassador to Venezuela Marcel Salamin has warned of an imminent U.S. invasion of his country, and he therefore called for Latin American solidarity. The diplomat added that the U.S. troops stationed in the canal area have been secretly increased to over 9,000 marines. The troops, personally directed by U.S. Ambassador Arthur Davis, are in a state of alert, which is an open violation of the treaties signed between Panama and the United States. He pointed out that this action has provoked the anger of the Panamanian people and has led to protests. The U.S. Congress has decided to put an end to the Panamanian Government, and naturally our people are furious in the face of the U.S. interventionist attitude, he added.

ABADIA ADMITS 'PROBLEMS' IN RELATIONS WITH U.S.

PA071557 Panama City LA PRENSA in Spanish 7 Jul 87 p 1

[Report by Lisette Carrasco]

[Excerpt] While Panamanian Foreign Minister Jorge Abadia Arias told LA PRENSA that Panamanian-U.S. relations have had "problems" and that the U.S. Senate resolution "did not help strengthen our relations," international news agencies report the United States is urging the Panamanian Government to undertake an impartial investigation of the accusations against Noriega.

Referring to the charge that the U.S. Army has increased the number of its troops in Panama, Abadia said "this is a very general way of putting it. The fact that there are 'x' number of troops is not what violates the Torrijos-Carter treaties" because "it -- the United States -- has some obligations and, at the same time, some prerogatives regarding the Armed Forces. What we said was that the number of Armed Forces troops should be proportionally decreasing, and this is what we have to clarify." He added: "The presence of the U.S. soldiers is not illegal."

The foreign minister said that to date he has not received any reply from the State Department to the note protesting the U.S. Senate resolution.

Asked why the national government and the FDP [Panama Defense Forces] did not send the traditional delegations to the commemoration of U.S. independence on 4 July in the canal area, Abadia tersely replied: "ask them." [passge omitted]

EDITORIAL ASSESSES OPPOSITION PROTESTS

PA061823 Panama City MATUTINO in Spanish 6 Jul 87 p 1

["At the Moment" editorial: "The Reality Behind False Appearances"]

[Text] Misled by simple outside signs of the current events in our country, a careless observer could easily reach conclusions that deviate from reality.

Observing the "protest" demonstrations opposition groups have organized three times a day, one could believe they are peaceful, somewhat folkloric, insignificant actions. However, the truth is that the hundreds of young people and women passing in their cars and the few men watching from the sidelines also waving white flags and pounding on pots and pans are not participating in an unimportant action. Their simple, clear, and unequivocal intention is to totally upset the current government system.

Under the pretext that their only objective is the removal of the top military echelons, starting with its commander, the opposition groups are trying to disjoint the Executive Branch, dissolve the Legislative Branch, remove and replace the members of the Judicial Branch and the officials of the attorney general's office, and take control of the media sources that inform and guide the public.

It is plain and simple. However, that apparently plain and simple action could be nothing other than a COUNTERREVOLUTION [preceding word published in uppercase], emerging 19 years after the 1968 revolution, promoted by the groups that were affected at that time. [paragraph continues]

Under the disguise of archangels is concealed the real satanic face -- green with fear and yellow with homicidal anger -- of the cretinous Christian Democratic Party, a party that possesses a similar appearance and has shown an insatiable and vampire-like thirst for the blood of the peoples on whom it sinks its claws and teeth.

In contrast, there has been a recession on the part of progovernment parties following the restoration of constitutional rights that could induce the aforementioned careless observer to believe that this active national sector is losing the battle for support from national majorities.

Anyone who believes this is sorely mistaken. The truth is that the progovernment sector is not inactive; it is merely on the alert. This interval has been useful to observe that its adversary is abusing the same rights it has been demanding to disrupt traffic, block all four lanes on two-way streets, and resort to bonfires and barricades to prevent those who are not part of their "gang" from circulating. All these actions are carried out on the assumption that the other side is afraid and that there cannot be a new decree suspending constitutional rights if behavior makes it necessary.

There is no fear or inability to suspend the guarantees again. There is still hope that the opposition leaders will speak sincerely to their followers and explain to them that they have disguised the Panamanian problem under a name and surname to focus the true motivation behind their actions on one man. They must tell them that the real objective of those who have started the battle is to recover the arrogant leadership they held before the Torrijos-Carter treaties. Regarding the U.S. and the Panamanians who collaborate with them, most of them want to recover old privileges they never deserved, which were tossed overboard when their boat sank on 11 October 1968.

After evaluating the real situation in Panama from this perspective, we Panamanians have no other alternative than to reach an agreement. We must all yield to a joint decision, not to win, but not to lose everything -- that is, our already precarious tranquillity, our dignity, and our prestige as a sovereign people. In addition, we would lose if we relinquish the canal to foreign hands out of blindness or naivete.

DIAZ HERRERA FAILS TO ANSWER SECOND SUMMONS

PA081641 Panama City LA ESTRELLA DE PANAMA in Spanish 8 Jul 87 pp a-1, a-16

[Communique issued by the Office of the Attorney General in Panama City on 7 July]

[Text] Taking into consideration the difficult circumstances prevailing as a result of the fact that citizen Roberto Melanio Diaz Herrera remains in his home with heavily-armed individuals, this office has tried, using the most calm and just methods, to summon Diaz Herrera to appear before this office to explain the facts he claims to have.

This citizen was summoned to appear at 0900 on Monday, 6 July, but he did not appear. This office therefore sent an official with a second summons to appear at 1500 on the same day. Citizen Roberto Melanio Diaz Herrera refused to sign this second summons and did not appear.

The office of the attorney general of the nation is considering appropriate legal action.

Panama, 7 July 1987

Diaz Herrera News Conference

PA071923 Panama City EL SIGLO in Spanish 7 Jul 87 pp 1, 23

[Text] During a news conference held yesterday afternoon by Colonel Roberto M. Diaz Herrera, former chief of the general staff, it was stated that there was a trap to make him be in contempt of the Attorney General's Office and then to arrest him. Three patrol wagons filled with policemen arrived at the colonel's house in the Altos del Golf neighborhood to take him to the Attorney General's Office or to arrest him if he was in contempt.

Panamanian President [Delvalle] has been left in a very awkward position because he said that he was "ordering an investigation," implying that he was doing so at that time. However, the summons issued by Attorney General Caralos Augusto Villalaz to Diaz Herrera so he could testify in a judicial inquiry was ready on Friday, 3 July.

The only thing that saved Col Diaz Herrera from imminent arrest yesterday was a medical certificate issued by Dr Jose I. Rodriguez who recommended 72 hours of rest for the controversial Panamanian military officer.

Col Diaz Herrera has been making a series of very grave charges against Manuel Antonio Noriega, commander in chief of the Defense Forces. They include the manipulation of election results and the masterminding of the murder of Hugo Spadafora. Diaz Herrera believes that it is not helpful that he will be investigated by those whom he is accusing or who are under the control of those he is accusing.

Today, 6 July, Msgr Oscar Brown arrived in my house with a notification date 3 July that Attorney General Carlos Augusto Villalaz sent to Msgr Gregorio McGrath [Panama archbishop] and in which Villalaz states to Colonel Leonidas Macias, chief of the Panama Police, that I had to appear in the Attorney General's Office today -- Monday, 6 July -- at 0900 for a judicial inquiry," Diaz Herrera told national and foreign reporters. [quotation marks as published] Diaz Herrera said that the notification arrived too late.

Diaz Herrera said that once his doctor and nephew, Jose Rodriguez, permits him to testify in the next few days, his main accusation against the current regime will be that it is illegitimate, fraudulent, and weakened by illegality.

Retired Col Diaz Herrera said that "if the entire executive branch structure is illegal and the judicial branch, with some honorable exceptions, along with the Attorney General's Office, is controlled, it would be very irregular and antijuridical, to say the least, if I were to testify before those whom I am accusing."

Nevertheless, Col Diaz Herrera made clear his intention of sustaining his charges, indicating that "to help the involved efforts of our church hierarchy, I will even agree to go to those same weakened courts as soon as my only personal doctor, my nephew, Jose Rodriguez, permits me to do so. He has considered that after 33 days of political pressure, I need 7 days of rest. However, I have asked him to reduce that rest to only 3 days."

DIAZ HERRERA'S LETTER TO COUNTRY'S 'LEFT-WINGERS'

PA022008 Panama City EXTRA in Spanish 2 Jul 87 p 4

[Retired Colonel Roberto Melanio Diaz Herrera's memoirs: "Letter to the Honest Left-Wingers in Panama"]

[Text] You know that the majority of the Panamanian people are anticommunist. This is also true for the conservative and opportunist right-wingers who continue to establish contact and make dealings with "Cain" [referring to General Manuel Antonion Noriega] and Purcell [not further identified], pressured by threats to their interests, such as the case of [Intercontinental de Comunicaciones por Satelite, S.A.] which Cain has now "nationalized."

Tutoro's [nickname of President Eric Arturo Delvalle] new swing to the left is undoubtedly linked with sugar mills and sugar quotas, with Channel 5 [Panama City Panavision Television] with the new cable company, (through Cohen [not further identified] and Onnasis Garcia, [Liberal Party President Arnulfo] Escalona's brother-in-law) and with other businesses managed by Chicho Cardenas [Commerce and Industries Minister Jose Bernardo Cardenas]. There is another aspect to the million-dollar deal with the Chiriqui pipeline through Roberto Velasquez [prominent member of the Democratic Revolutionary Pary, PRD] and a liberal leader (?). [punctuation mark as published] In other words, these are men who made their fortunes through corruption; "Liberal" Party electoral frauds, the political use of the police and the G.N. [National Guard], and the exploitation of the poor in general.

Yesterday, Mayin Correa came to may house "to throw in my face" my ties with the left wing since Torrigos' times (while "Cain" was doing his work with the CIA and his dealings with the right wing). Father Malon explained to her that Papo Cordoba had even accused him [Father Malon] of being a communist and a guerrilla because he defended the poor in Yaviza, Darien. Nestor Jaen and another priest of the popular church are also listed in the G-2 [intelligence apparatus] files. When I asked Father Malon, in front on Mayin, how Christ would be described for his cause with the poor and against the corruption of the Roman Empire, he admitted that obviously Christ would be labeled a communist.

The large middle and professional class of Panama is not Marxist, but it is not capitalist either. Let us not fall into the error of persecuting honest Marxists and businessmen who want change. Let us seek a national agreement based on Christ and his teachings; specifically, to love the Lord thy God with all they heart and thy neighbor as thyself.

We do not want "economic support," they said. However, since Torrijo's times, through [PRD President] Romulo Escobar Bethancourt and others, top "communist" or (opportunist) leaders, received "Big Bags" [Cartuchones]. Similarly Toro [referring to former Finance Minister Orville] Goodin (from the Finance and Treasury Ministry) sent "Big Bags" to Ramiro Vasquez [first assistant secretary to the PRD National Executive Committee] (who has a bungalow in Cerro Azul next to "Toro's") and his honest "followers." ["tendencia"]

Ask [PRD Legislator] "Luco" Gomez about the 2,000 balboas that Alberto Purcell's Civic Action program allegedly spent in San Miguelito. "Lucho" should also say how much he spent and how much he delivered to [PRD Legislator] Camilo Gozaine from the border "shady deal" ["negociado"]. [paragraph continues]

He should also say how many are on Transit, Inc's payroll (I have reports) and how much he has withdrawn from the National Bank and the Free Zone in recent weeks.

Ask Diomedes Concepcion [Director general of the National Port Authority] if an audit of his Port Authority office can be conducted. (There are shady deals in the dredging of docks, rental of cranes, and kickbacks at the ports, etc.) Ask Wetherborne [secretary general of the Revolutionary Party of the Workers, PRT] how many "bags" he received from Romulo in addition to those that I gave him in 1984 to organize the party (PRT members Graciela Dixon, Moravia Ochoa, Carlos Wong, and Augusto Arroyo -- whom I thank for his apology in my favor -- know this) and to give moral support to Tuturo and Carluncho [referring to Carlos Fabrega, director of the National Cultural Institute, INAC], etc.

It was either Cain or I who defended them [the PRT members] in the INAC persecution of ideas campaign. "Cain" delivered many "bags" through the G-2 (with Cleto Hernandez, a partner of Rios, the one with the construction firm; Mario del Cid, Fibrolito Samudio, etc) within a period of 15 years. These bags were delivered to leftist university "leaders." What is the reason for "Cain's" old hatred for Hector Aleman of FENASEP [National Federaration of Associations and Organizations of Public Employees]? Why was [former President] Jorge Illueca accused of turning government workers to the left wing? Aleman already received his "bag." I do not want o make any more accusations. I urge the Torrijist left wing and the Christian and honest left wing to wage a struggle without selfishness, sectarianism or foolish and divisionist labels. Let us form an independent, just, egalitarian, and peaceful homeland. (We do not want the peace of the cemeteries but that of Christ).

P.S.: In view of "Cain's" threats against my house in Veracruz, "Remember" [preceding word in English] my duplex (a condominium in Alto del Golf next to the Cerro Bonito building), which he asked me to sell to him and for which he paid with official G-4 checks (is it not true Justines?) [referring to Lieutenant Colonel Marcos Justines, comptroller of the Panamanian Defense Forces] and placed under the name of the "Luisa Real Estate Company." [sentence as published]

Greetings,

Retired Colonel Roberto Diaz Herrera

'EXCLUSIVE' INTERVIEW WITH DIAZ HERRERA

PA071901 Panama City QUIUBO GRAFICO in Spanish 2-9 Jul 87 pp 13, 14, 15

["Exclusive" interview with retired Colonel Roberto Diaz Herrera by Ken Anderson of the "International Human Rights Law Group" in Panama City on 10 June]

[Excerpts] [Anderson] Can you describe to me, in your own words, from the beginning, the first time when there was some discussion on the possibility of murdering Hugo Spadafora -- each little thing that happpened -- and once I have in your own words what happened, then I will ask some specific questions. When was the first time that the possibility came up at the [National] Guard of murdering Hugo Spadafora? Were there discussions about this?

[Diaz Herrera] I will be very specific. Look, General Noriega complained at least twice about my friendship with Hugo Spadafora. A couple of times Spadafora and I went to have some drinks with our wives. Noriega was G-2 [Military Intelligence chief] at the time, but he and I were more or less at the same level or rank; we were lieutenant colonels. However, I was not in a position to pressure him.

[Anderson] How long ago was that?

[Diaz Herrera] From 1975 to 1978. From then on Hugo and I drifted apart, although I saw him a couple of times, and a few months before his murder he saw my wife at a shop and sent me his regards. He was with one of his daughters. After that, a whole bunch of publications from Hugo emerged here about him [Noriega], in which Hugo said very serious and grave things. Noriega then started lobbying at the General Staff telling us that Hugo was a threat to national security, etc. I listened. Noriega has always had what I would call a group or small team for repression, for murders.

[Anderson] This group had already gone out to commit other murders? Before this affair, was the group already formed, and had they done several things?

[Diaz Herrera] Well, this group has been involved, in my opinion, in unsolved murders, especially Major Madrinan, then later, in the case of Hugo Spadafora, Major Cordoba, and -- although I have no proof except for verbal confessions -- in the case of Dr Mauro Zuniga, Majo Trujillo, and other lower ranks. [passage omitted]

[Anderson] Were there any talks with Noriega after the murder which could implicate him any way?

[Diaz Herrera] No; after I put some pressure on him at Amador, and I realized that he did not want to turn anybody in -- such as a corporal or a sergeant -- I realized he was involved. At that moment, I simply went to another stage, because I was not going to start accusing him of being the murderer.

[passage omitted]

I planned a coup against Noriega following the Spadafora case, and when Colonel Castillo, Colonel Justines, and I got together and agreed, especially I, knowing that I could be betrayed, but that they were interested. [sentence as published] [passage omitted].

I was waiting for Castillo to react, because as G-3 -- Justines less though -- but as G-3 it was he who had, at least formally, combat units under his command.

I should have managed -- anyway, that is past history -- to concentrate at least one company that was under the command of Captain Giroldi -- he was a man that definitely had me under surveillance, and it was he who supplied area security -- to try and provoke Dr Nicolas Ardito Barletta, who had shown interest, at least as far as I could see, into naming of an investigatory commission to coordinate a presidential and internal (military) coup.

It was not very easy, and I was running an enormous risk. He [Noriega] has troops 3 km away at Amador, trained by the Israelis, and they are extremely dangerous when sent on a mission.

I have been able to test them, because using a ploy 15 days before retiring, I sent half my bodyguards to train there. They indeed trained them effectively, for the first time. I used a play by telling Col Castillo that I had a troop full of bums who only ate, and that I wanted to get the most out of them. Strangely, he accepted. Then 2d Lieutenant Ochoa, who headed my bodyguards, together with about eight others were trained by them, and I saw what they were able to do in 15 days....

It was great training, even though it was not as intense as the training in Israel. Thus, with just a phone call by Capt Giroldi, the Urraca Company would have arrested me. In addition, I could not relate this to Major Palacios Gondola, because I could not compromise him. Anyway, I did not know how he would react if I said: "We are trying to state a coup against Noriega." [passage omitted]

That was very difficult. Then he became nervous and for the first time he called me and said: "Why are you mobilizing troops; what is happening?" Then Justines also became nervous, and Castillo said: "Colonel, why are you doing that?" Then I replied: "Look -- that is where I cover myself -- "I am"... [changes thought] Because they deserve some respect that in my political condition I must express to them, I told them: "There is going to be such a reaction in the streets because of the Spadafora incident that we must have troops. We must have more qualified units in central headquarters."

I played with these two ideas, but I had tremendous anguish. Then when I made him [not further identified] come from New York... [changes thought] He wanted to stay another night there to wait for things to get more entangled in Panama and see how I was judged, because I was the acting commander. He wanted to wait longer, but the mobilization of the troops... [changes thought] because I was forcibly mobilizing them, in other words, I exerted some pressure, and Palacios Gondola obeyed me -- because any other major would not have obeyed me -- and half a battalion was sent out. I also took risks into consideration, so I thought of sending part of that half battalion to the traffic department, which is under the orders of Major Sieiro, my brother-in-law; and that was also protection, to ensure that I would have some things there. I also thought of sending Maj Palacios to the central headquarters for another company. However, at that moment, I noticed that both Lt Col Justines and Lt Col Castillo changed their minds. When they changed their minds, they took away my security, and I entered into what Panamanians call "raffle time" [preceding word in English] -- in other words, a desperate moment in which a decision has to be made. So I used that moment for my survival, like Barletta [former Panamanian president]. In addition, from an ethical point of view, I did not have any major qualms about doing that, becuase I myself have stated that Barletta and some magistrates participated in the fraud. I decided to call a number of politicians, including Bethancourt [Democratic Revolutionary Party president], President Delvalle himself, and 20 or 30 more; and I changed things around, making it appear as if Nicolas Ardito Barletta was trying to overthrow Gen Noriega with the Spadafora case. It was then that we turned everything around and I began pressuring Barletta to resign. When he arrived in Panama, I changed everything around and made Barletta appear as the real motive of all my movement. [passage omitted]

Panama, 10 June 1987

Colonel Roberto Diaz Herrera, retired.

We testify that the aforementioned statements were made by Col Roberto Diaz Herrera, retired, at his house in the morning of 10 June 1987

Ken Anderson, esq.

(International Human Rights Law Group) [preceeding title in English]

NORIEGA PRAISES ACTIONS OF DEFENSE FORCES

PA261830 Panama City CRITICA in Spanish 26 Jun 87 p 39

["Text" of speech by General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, during an event held at the Defense Forces Headquarters in Panama City on 25 June]

[Text] Today we have gathered here, in the presence of the men who fulfilled their duties during the hours of conflict, to deliver an institutional message, a purely military message, to all the men and women who experienced hours of pressure while standing in the front lines in the urban areas of tension.

Today, in this hour of profound meditation, I speak to you on the behalf of the command and on behalf of the youths who are the future generation and who will one day receive the flag and the banners of the Armed Forces of our Defense Forces. I hereby pay tribute to the members of the institution who were beaten, pressured, and who experienced tense moments. We wish to offer our recognition to these men.

In this hour of meditation we reiterate that this is not a meeting to promote hatred and revenge or to deliver negative messages. We are here to praise our firm determination to uphold the basic principles of democracy and to become sovereign and independent -- totally independent of the poles of power that want to pressure us; totally independent of those who do not wish to leave a land that is not theirs; totally independent of those who seek, for their generation, the true geographic order of each square inch of our territory [sentence as published]. We wish to reiterate that this generation will enter the canal without foreign flags waving over our territory, with one uniform, and with one flag.

We pay tribute to our women soldiers who overcame urban mediocrity and protected the decency and humility of their uniform in face of all insult.

We greet the women of the Defense Forces who also were subject to pressure at all levels and forms. We thank God for the strength He gave us all, all of us. We thank God for the strength He gave to the soldiers who were out in the streets, to the commanders who issued order from the offices of the G-3 command and operations headquarters. We thank God for the strength He gave us and today we say: Lord, forgive them for they know not what they say or do.

We thank God for this strength. God was in this headquarters. God never left this headquarters. The demons are outside, they are not in this headquarters. Many people don't know why they can't overthrow us. God is here, and, like you, He is wearing a uniform.

Loneliness gave us strength and showed us the path we reaffirm today before you. Not a step backward! When we describe the actions of troops faced with danger, such as you experienced, the final expression, the final words, are not determined by the loud click of the heel, the goose step [paso de ganso], or by a bright and clean uniform. Quite the contrary, during those difficult moments, the attitudes displayed by all you men and women can be described as bold, brave, serene, firm, strong, conscientious, and nationalist. You also showed that you have received good training and that you have a sense of the homeland; that you remember that you are of humble social origin; that you can fulfill an order and have faith in your commanders. Above all, and this was the most important and difficult thing to do, you prevented bloodshed at all cost. This was what you did.

Thanks to those qualities you men and women displayed, the situation was controlled. On behalf of the General Staff, in my own name, on behalf of the women and husbands of the members of this Armed Forces, today we say and reiterate on this historic site, that there has never been a commander who felt so proud of his men who, with clean hands, dealt with such a dirty problem.

Long live the Defense Forces! [crowd shouts "long live!"]

NORIEGA COMMENTS ON 'REPUDIATED' PANAMANIANS

PA080431 Mexico City XHTV Television in Spanish 0200 GMT 8 Jul 87

[Interview with General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, by unidentified reporter; date and place not given -- recorded; broadcast in progress]

[Excerpts] [Noriega] ...It is not the man himself; the man passes by; the man is fragile; the man goes away; but a generation remains.

[Reporter] Excuse me for insisting on this, but if it is not the man himself, if the man is fragile, if the man passes by -- excuse me for putting it this way -- why do you not leave?

[Noriega] Why do I have to leave? Why do I have to leave? That is not the problem.

[Reporter] Not one step backward, then?

[Noriega] That is not the problem. [passage omitted]

[Reporter] What do you think of those who go to Washington to ask for a solution to the problems in Panama?

[Noriega] These Panamanians are morally repudiated here in Panama. It is a pity that other countries' draconian laws do not exist here, but there is a great moral punishment. For example, such people here are called Bunau-Varilla's [referring to the 1903 canal treaty] because they sell Panama, and that is an everlasting repudiation, a life-long stigma. They will never recover from it, so it would be better for them to be among the living dead.

[Reporter] These are the Bunau-Varilla's?

[Noriega] Completely.

[Reporter] The modern version of the Bunau-Varilla's?

[Noriega] Completely. [passage omitted]

LA PRENSA ON 'TOTTERING' NORIEGA, FDP USE OF FORCE

PA051524 Panama City LA PRENSA in Spanish 5 Jul 87 1-a

["As of Today" editorial column]

[Text] Salient among the display of blunders committed by General Manuel Antonio Noriega's supporters are the gross attacks against the U.S. Embassy and several of its offices, the criminal destruction of the Dante Mansion store, and the attacks against offices of well-known opponents to the embarrassing state of affairs prevailing in the country. The brutal displays of force by the FDP [Panama Defense Forces] riot control units against citizens whose only crime is to manifest their desire that all the macabre accusations against the obstinate Panamanian dictator be clarified are no less repudiable. All the demagogic tricks used during Torrijos' hegemonic rule have failed now, including the cries of nationalistic war and the locking-up of government employees, ordered to march down the streets to render honor to the figure of the discredited general. The avalanche of ineptness could not leave out the astounding claim that what is happening in our midst is nothing else than a confrontation between the rich and the poor. Those who are thus attempting to paint a coat of social varnish on the tottering commander are also failing in their attempt to ignore that he and his high-hatted associates have amassed scandalous fortunes, and that because of that unprecedented accumulation of wealth, the military leadership is the most notorious sector of the so-called Panamanian oligarchy. It is a perfect opportunity to recall that since the garrison coup of October 1968, the nouveau riche are now richer and the poor-of-old increasingly poorer.

PAPO LEADER CLAIMS NORIEGA PLOT TO KILL HIM

PA051608 Panama City EL SIGLO in Spanish 4 Jul 87 p 21

[Handwritten letter by People's Action Party, PAPO, leader Miguel Antonio Bernal dated 3 July]

[Text] Panamanian people:

In another desperate attempt to deceive the people, the military dictatorship has published through media sources under its control (TV-2, Radio Libertad, CRITICA, etc.) the infamous assertion that "Miguel Antonio Bernal directed the burning of the Dante store."

The purpose behind this premise is to arrest me and kill me during the arrest, following orders from General Noriega.

I urge my compatriots to carry on the struggle for democracy, justice, and freedom and to defend our rights before the tyrant and his hordes.

Miguel Antonio Bernal, I.D. No 8-153-2773

GOVERNMENT MINISTER ASKS NORIEGA TO PROTECT ORDER

PA081712 Panama City Cadena Exitosa in Spanish 1633 GMT 8 Jul 87

["Text" of note from Government and Justice Minister Rodolfo Chiari de Leon to General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, dated 8 July]

[Text] Dear General:

As you know, the president issued decree No 59 on Tuesday, 7 July 1987, establishing measures to protect public order. The decree orders the suspension of public demonstrations and meetings called for Thursday, 9 July, and Friday, 10 July, because of the imminent danger these activities represent to the physical integrity of participants, bystanders, and other citizens.

In view of the fact that leaders of certain political sectors have expressed their intentions to hold these political demonstrations on the aforementioned dates, we ask that the institution that you lead adopt the necessary measures to achieve faithful compliance to the orders issued by the president.

PEOPLE'S PARTY 'COMMUNIQUE' ON U.S. 'INTERVENTION'

PA070150 Panama City MATUTINO in Spanish 30 Jun 87 p 16

[Communique issued by the People's Party Central Committee Politburo; no place or date given -- passages between slantlines published in boldface]

[Text] No to U.S. Intervention (People's Party) [subhead]

The shameless and cynical intervention by the U.S. Senate voiced through a resolution approved last week all but orders the Panamanian Government to adopt some measures that only correspond to Panama. This resolution has suddenly uncovered two plain truths that the People's Party [PdP] has been charging in a systematic manner for more than 2 years:

1. The origin of the political crisis that has been developing following the death of General Torrijos, and as we get closer to the year 2000, is the conspiracy of Yankee imperialism that hopes to stay in Panama, come what may. We particularly warned the Torrijists of the various fronts of struggle about this and we asked the UNADE [National Democratic Union] government in due time to change the course of conciliation with imperialism, because if it did not do so, the government would end up the victim of this new imperialist conspiracy. Some accused us of fabricating "ghosts" with the "worn-out anti-imperialist slogans of the communists," and some even made fun of us.

2. The U.S. interference in Panama that dates back to the signing of the Torrijos-Carter treaties is not coincidental, nor is it the result of the dislikes of some Yankee politicians, or of some bad information from a U.S. political party. It is the natural reaction of the imperialist system that is well known for its role in national opression, economic exploitation of other peoples, making nations dependent and manipulating them for its world leadership goals. [paragraph continues]

Therefore, in the face of the historical and natural event evident in the fact that the Panamanian nation has reached an age in which this becomes necessary and can no longer be postponed, we must achieve -- above all -- a national independent state. This desire of the Panmanians is totally antagonistic to the interests of the U.S. imperialistic interests, and this antagonism is the motor behind the current political crisis.

The above-mentioned Senate resolution is the best evidence of the strategic value that Panama places in its plans for the region and of the threat Washington sees in that we might break the dependency and change the course of the country and move toward a third independence in the year 2000. To prevent this, "Mutt and Jeff" have joined, in other words, the Republicans and the Democrats have joined and they represent the essence of Yankee imperialism.

Our party has warned in due time that if we minimize Yankee interference, as if this consisted of accidental events or actions in bad faith by forces partial to the United States, this would be like lowering the guard in the face of the true imperialist aggression that would inevitably result -- as it is already being expressed -- to prevent, at all cost, the achievement of our national independence. This decisive point should crystallize at the end of this century. Minimizing U.S. interference also means creating illusions concerning imperialism, illusions that have only helped the advance of Yankee influence in the country and the division of the Panamanian nation. Today the brutal interference is a fact, and the intentions of U.S. imperialism -- as a system -- have been uncovered with the Senate resolution.

An analysis of the resolution clearly reveals that the leading motive behind it is the unabashed defense of Yankee interests, which the Americans are prepared to defend to the final consequences, interests which they already are prepared to use to justify the military occupation -- at any moment -- of the /canal installations./ Let us see:

"Inasmuch as Panama's security and stability are vital to the security of all the states in the Western Hemisphere;

Inasmuch as 9,000 U.S. troops are currently stationed in Panama at several important military installations, including the general headquarters of the U.S. Armed Forces Southern Command;

Inasmuch as the problem-free operation of the Panama Canal is of prime interest to Panama, the United States, and the free world"; [quotation marks as published]

The remaining seven motives are pretexts to justify the various forms of intervention practiced by the imperialists, which directly support all of the reactionary and turncoat organizations that have requested their intervention in an effort to recover political power. The senators have rejected our political regime under the pretext of imposing their false idea of democracy on us, as they did on the regimes they support in El Salvador, Chile, Paraguay, South Africa, and South Korea.

The imperialists in the Senate falsely advocate the establishment of the responsibility of the Panamanian authorities in the crimes they allude to. What moral authority do the U.S. senators have to intervene with that pretext, when the entire world is acquainted with the Yankee philosophy regarding tyrants such as Somoza and Stroessner? The Yankees say: "They are sons of bitches, but they are our sons of bitches!"

The Yankee senators still believe they are the guardians and proconsuls of Panama. They forget this is no longer 1903, when they imposed the colonizing Hay-Buanu Varilla treaties on us. Since then, things have changed radically in the world, in Latin America, Central America, Panama, and even in the United States. The Panamanian nation has matured.

The senators have gone to the extreme of demanding that the Panamanian Government prosecute and order the "current commander of the Panama Defense Forces as well as any other officer implicated to resign."...What right do they have to request this? Who authorized them to do this? Is it that Panama is a U.S. county? Was the people's will not made clear during the Yankee aggression of January 1964? Must this demonstration be repeated on a larger scale? Did the imperialists heed our complaints at the OAS and the United Nations? Did they try the soldiers who murdered 22 Panamanians and wounded more than 500?

It is clear that the Senate resolution is the beginning of a renewed escalation of the Yankee aggression; it is a more direct form of blackmail that is to prevent, at all costs, the decolonization and total liberation of our territory within the next 12 and 1/2 years, as well as to prevent Panama playing a role today in the achievement of peace in Central America and in Nicaragua's self-determination. The resolution is the legislative endorsement that allows the State Department to adopt political and diplomatic measures against Panama, and the Pentagon and CIA to implement aggressive military and intelligence measures, so the financial and economic organizations can proceed to stifle us and to some extent initiate low intensity war operations with the Panamanian /contras/.

In view of this sinister plot, which the opposition is waiting for so it can take political power once again, the party has the following remarks:

1. Truly patriotic Panamanians, those who want a free fatherland, no matter what their ideas, what religion, class, or party they may profess, are truly under the obligation to reject the overt interference of the U.S. Senate.

The danger cannot and should not be dismissed; it is now an uncovered, evident reality that menaces our status as an independent and sovereign nation.

2. However, this urgent need which the fatherland has -- that its children defend it -- demands a favorable atmosphere for the people, and, in this context, a true and speedy rectification on the part of the government and the forces that exercise power in Panama is in order.

3. There must exist a consensus among all national sectors to defend the fatherland because its liberation will guarantee a truly independent and democratic state, which will, in turn, lead to the nationalization of the canal, the withdrawal of U.S. troops from our territory, and an improvement in our socioeconomic development.

4. The People's Party expresses its firm protest against the Yankee interventionism, and calls upon all popular forces to unite and reject the aggression; at the same time, it rejects as traitors to the fatherland all those who have fostered the intervention and who today applaud it.

5. We censure the Yankee intervention in Panama, and we request the sister parties, the world solidarity movement, and all those who support peace and the free determination of the peoples to express their solidarity with the Panamanian struggle for national integrity, self-determination, and a negotiated solution to the Central American crisis, according to the objectives of the Contadora plan.

In front of imperialist aggression: national cohesion. All Senate cronies are traitors and contras! Solving the people's problems strengthens the nationalist fist against aggression.

/People's Party Central Committee Politburo/

SUPREME COURT CONDEMNS U.S. SENATE RESOLUTION

PA030317 Panama City LA REPUBLICA in Spanish 30 Jun 87 p 16

[Words in uppercase as published]

[Text] Resolution No 1 [subhead]

The full session of the Supreme Court of Justice of Panama in its session of 29 June 1987, Whereas [subhead]

1. On 25 June 1987 the U.S. Senate approved a resolution on that same date that directly affects national interests.

2. This resolution is a clear and intolerable violation of the principles of sovereignty and nonintervention that govern peaceful relations among countries.

3. The U.S. Senate resolution mentions in one of its parts the need for independent justice in our country.

4. The U.S. Senate, a public branch of another country, in this resolution attempts to lay down the rules for the Panamanian justice system.

5. The U.S. Senate resolution overlooks the Panamanian legal structure based on clear legal and constitutional principles.

6. This oversight is an affront to Panama's sovereignty and independence.

Agrees To: [subhead]

1. Strongly REPUDIATE the content of the resolution decreed by the U.S. Senate dated 25 June 1987.

2. Strongly PROTEST as representative of the Panamanian state's judiciary, charged with jurisdiction, the attribute of the sovereignty of each nation, the disrespectful disavowal of this fact by referring to this organization in terms that do not behoove it [the Senate].

3. Strongly REJECT the U.S. resolution because it constitutes a clear and insolent meddling into Panamanian domestic affairs and an open violation of OAS and UN Charters, which have as their principle the peoples' self-determination.

4. Send a copy of this resolution to the Panamanian Foreign Ministry with the request that it put it in the hands of the U.S. diplomatic representative in our country.

Dated in Panama City on 29 June 1987

Marisol Reyes de Vasquez, President of the Supreme Court of Justice
Isaac Chang Vega, Vice President of the Supreme Court of Justice
Manuel Jose Calvo, Magistrate
Gustavo Escobar P., Magistrate
Avalro Cedeno B., Magistrate
Rafael Dominguez, Magistrate
Rodrigo Molina A., Magistrate
Camilo O. Perez, Magistrate
Enrique Bernabe Perez, Magistrate
Jose Guillermo Broce, Secretary

PALA CONDEMNS U.S. SENATE RESOLUTION

PA022327 Panama City LA REPUBLICA in Spanish 30 Jun 87 pp 22, 26

[Resolution issued by the Panamanian Labor Party, PALA, National Executive Council and Political Commission in Panama City on 28 June]

[Text] Whereas:

1. On 25 June, the U.S. Senate approved a resolution against Panama.

2. Through that resolution, the U.S. Senate has flagrantly, unprecedentedly, and insolently violated the principles of peaceful coexistence and mutual respect that should characterize relations between our governments and peoples.

3. The U.S. Senate, still entrenched in drunken, anachronistic dreams of imperialism, is attempting to meddle in our country's domestic politics.

4. Some Panamanian traitors are working locally with senators to obtain the repeal of the Torrijos-Carter treaties and to return to their profitable businesses with the Americans in the canal zone.

Resolves:

1. To repudiate the U.S. Senate's arrogant position and condemn the attack against our country and the manifest contempt for the universally accepted right to self-determination of peoples.

2. To endorse the statements by the president of the Republic and the Panama Defense Forces General Staff, which met in a special session on Saturday, 27 June 1987.

3. To recommend to the national government the immediate reporting of these developments to the world's friendly governments to obtain international solidarity against the trampling and violation of our sovereignty, and to recommend to our party's political commission the designation of a party delegation to travel abroad to seek support of friendly parties.

4. To demand full compliance with the provisions of the Torrijos-Carter treaties, the rejection of Law 96-70, and the continuation of efforts to reach a negotiated peace in Central America.

5. To call the attention of present and future generations to the embarrassing and repudiable actions by turncoat Panamanians, who are shamelessly requesting the intervention of the "Marines" to attain power.

Issued in Panama City on 28 June 1987

Juan A. Medrano, Jose A. Alessandria, Ramon Sieiro; Jack Cardoz, and many more signatures.

LIBERAL PARTY REJECTS U.S. SENATE 'MEDDLING'

PA031255 Panama City LA REPUBLICA in Spanish 30 Jun 87 pp 2, 26

[Manifesto issued by the Liberal Party in Panama City -- date not given]

[Text] The Liberal Party Executive Committee, aware of its historical role since the foundation of the Republic whose ideology is based on the sacred principles of democracy, justice, and freedom -- the inalienable pillars of human rights and thus of the nations of the world -- feels indignation, scorn, and anger because of the outrage that the shameful U.S. Senate resolution represents against the sovereignty of the Panamanian people.

It is intolerable for the Liberal Party that the great northern superpower through its senators admits in a part of the aforementioned resolution "that Panama is an ally and a historical friend of the United States," and in another part of the same resolution, it conceals the threat that our country is essential for the security of all state of the Western Hemisphere." [quotation mark as published] The U.S. senators are forgetting the efforts that the Panamanian Government is making for the much longed-for peace in Central America through the Contadora Group. They also are forgetting that Panama -- as a member state of the United Nations, like the United States -- shares the purposes and principles of the charter document signed by the two nations, which establishes that member states are sovereign and equal and must abstain from threatening or using force against other states. Moreover, one of the international agreements unanimously approved (16 December 1966) establishes the right of the nations to self-determination and even to dispose freely of their wealth and natural resources.

The Liberal Party cannot forget as one of the best examples of patriotism, the attitude assumed in 1964 by the president of dignity, Roberto Francisco Chiari [of the Liberal Party], when his deepest nationalistic feelings were offended, and as the representative of Panama decided not to turn the other cheek. Intead, he broke relations with the "good friends" who were subduing, oppressing, and insulting his dear people.

The Liberal Party hereby wishes to state its emphatic repudiation of the U.S. Senate's meddling in the internal affairs of Panama and condemns the arrogance and stance of the senators, who are encouraged by antipatriotic Panamanians who have unilaterally nourished the U.S. Senate's desire to become the "Robin Hood" of modern democracy at the expense of the people's submission, powerlessness, and weakness.

Dr Roderick Esquivel, President;

Albert Arango N., Executive Secretary.

PRD OFFICIAL DISCUSSES POLICY 'CORRECTIONS'

PA051734 Paris AFP in Spanish 1621 GMT 5 Jul 87

[By Isabel Ovares]

[Text] Panama City, 5 Jul (AFP) -- Pestered by strong internal and external political agitation, the Torrijists in Panama have begun a process of corrections to restore lost communication with and the support of the popular rank and file.

The changes include a review of Panama's financial commitments with banks -- to which it pays one-third of the national budget to service a $4 billion debt -- and the establishment of a more active role for this country, from a Third World standpoint, in foreign policy.

With these actions, which are framed within the nationalist and populist "Torrijist ideology," the government seeks to ease social discontent, which has increased against the regime of General Manuel Antonio Noriega in the past few weeks.

Nils Castro, secretary for international relations of the ruling Democratic Revolutionary Party (PRD - Torrijist), admitted to AFP that "in the past 2 years we have created a relatively unpopular government, a government that is obliging to the demands of financial organizations, especially the World Bank."

In keeping with that perspective, he explained, "the government agreed to establish structural reforms and adopt austerity measures that obviously produce their share of uneasiness."

Negotiations with financial organizations aimed at obtaining fresh resources for the Panamanian economy led the government to negotiate an agreement targeting one-third of the national budget -- which amounts to $3.09 billion -- solely to service a $4 billion debt.

"Logically, this situation has created uneasiness among popular sectors, which are always the most affected with those kinds of measures, and has drawn the government apart from the rank and file," Nils Castro acknowledged.

Coinciding with the need for changes, Noriega himself announced on Friday in the southwestern Los Santos Province, where he met with hundreds of residents, that "the time for governmental corrections for farmers, laborers, and the have-nots has come."

PRD Vice President Ramiro Vasquez this week also cried out for corrections in the government's leadership. However, he went beyond that by challenging the opposition, which is advocating a democracy for Panama.

You want democracy? he asked. He himself replied: You will have it, but you should know that democracy is a government of the majority that involves a distribution of wealth.

Vasquez announced that the government gave up efforts to amend the social security law. In keeping with World Bank demands, the aim was to drastically reduce medical services.

Nils Castro said that complying with the demands of international banks has resulted in serious liquidity problems, as revenues must be sent abroad to honor those "untenable" commitments.

That situation has led to contradictions within important activities in which the government participates, such as construction, further increasing unemployment, which surpasses 10 percent.

"We have moved away from popular organizations; therefore, we must restore confidence on the basis and guidance of the Torrijist ideology," Castro said.

This contraction of state activity even affects oligarchic and business sectors -- grouped in the opposition -- as the state is one of their main clients.

For Castro, this situation, together with the announcement of a new structural adjustment program with the World Bank (SALT III), which will directly affect commercial activities and services, explain the active participation of those sectors in the opposition's current struggle against the government.

"SALT III is the reason why those sectors, under the leadership of the Chamber of Commerce, are trying to overthrow the government" by promoting a Civilianization Crusade that calls for civil disobedience.

Nils Castro -- who is also executive secretary of COPPPAL [Permanent Conference of Latin American Political Parties] -- feels that admitting that the government has withdrawn from the bases by accepting policies contrary to the interests of those groups "is fundamental in the rectification proposed by Torrijism."

However, in his opinion, those changes must go hand in hand with a more active role on the part of Panama in international policy, in the Contadora Group, in the Nonaligned Movement, and in the United Nations.

For Castro, Noriega's presence -- whose head is being asked for by both the United States and by the opposition grouped in the Civilianization Crusade -- "is not the problem."

U.S. pressures against Noriega are due to his refusal to yield to U.S. pressures to have Panama withdraw from the Contadora Group, permit the use of national territory to train Nicaraguan contras, and stop the complaints on the illegal use of U.S. military bases in the canal.

Nils Castro recalled that General John Galvin -- former chief of the U.S. Southern Command -- proposed to Panama turning over the civilian administration of the canal in 1990 in exchange for allowing the military bases to remain under U.S. control until the year 2025.

The political leader, who is also a Foreign Ministry official within the Contadora Group -- stressed that the charges against Noriega -- similar in tone to those made against General Torrijos -- are due to his position in defense of the principles of nationalism and sovereignty and for seeking peaceful solutions to the Central American problems.

NATIONAL BANK MANAGER SUBMITS RESIGNATION

PA041630 Panama City LA PRENSA in Spanish 4 Jul 87 p 1

[Text] National Bank Manager Luis Alberto Arias submitted his "irrevocable resignation" to President Eric Arturo Delvalle last night.

In a brief note addressed to the Panamanian president, Arias says that he is putting his position at the disposal of the executive branch, but did not explain the reasons for this decision. However, Arias referred to a previous note, No 87 (102-01) 27, in which he apparently explained the reasons for his resignation.

It has not yet been announced who will replace Arias at the National Bank.

'SYMPTOMS' OF 'SERIOUS BANKING CRISIS' SEEN

PA061445 Panama City EXTRA in Spanish 6 Jul 87 p 1

[Unattributed report: "Banking Crisis"]

[Text] Today there are symptoms of a serious banking crisis at the national and international levels. Yesterday there was deep concern over LA ESTRELLA DE PANAMA's report headlined "The Banking Center Endangered by the Acts of Violence." In the report, Jose Fernando Cardona Mas, former president of CONEP [National Council of Private Enterprise], said that acts of violence cause irreparable damage to Panama's international banking center. He also said that "the unrest in recent weeks makes the national and foreign capitalists and depositors nervous. They got so nervous that they seek other alternatives such as, for example, the transfer of funds via telex from the Panamanian banks to banks abroad."

Meanwhile, Luis Alberto Arias, general manager of Panama's National Bank, abruptly and unexpectedly presented his irrevocable resignation without explaining the reason for doing so. However, it is publicly known that the government's political activities have been carried out with funds from the National Bank and the National Savings Bank. This involves not only the millions needed for the political activities but also the transfer of funds of those who at any moment might leave the country.

LEGISLATOR ACCUSES COMSAT OF ATTEMPTED BLACKMAIL

PA301311 Panama City LA PRENSA in Spanish 28 Jun 87 p 28a

[Text] Camilo Gozaine, president of the Legislative Assembly's Transportation and Communications Commission, has said representatives of COMSAT (Communications Satellite Corporation), a U.S. enterprise holding 40 percent of Intercomsa's [Intercontinental of Communications Via Satellite, Inc.] shares, tried to blackmail him through certain emissaries.

Gozaine told media representatives that COMSAT's emissaries came to Panama and "made an offer to us; I cannot tell you how much right now, but it was in [high] figures...."

Gozaine, a member of the Democratic Revolutionary party, presides over the commission that drafted the bill regulating national and international communications, which was approved in the third debate last Friday.

If the executive branch approves the law, Intercomsa will be replaced by a Panamanian Government enterprise in 1989.

Later, Gozaine said: "They asked me how much I would accept, and I told them I would not accept any amount because national interests are way above my personal interests."

Gozaine mentioned the fact that Irving Goldstein, a COMSAT executive, will send a note to the president asking him not to approve the law regulating communications.

In this regard, Gozaine said that we are fed up "with U.S. companies wanting to do whatever they feel like here in Panama."

Regarding the bill that was approved, he said: We have only ensured that all multinational companies in the country are handled through regular channels.

Gozaine said that Goldstein's offensive words in his letter to the Panamanian president dated 25 June -- in which he strongly criticized the Legislative Assembly -- are unjustified.

In his letter, Goldstein said that the Assembly is giving the impression abroad that there is no respect for private enterprise in Panama, which, according to Gozaine, "is totally false."

He added: As a matter of fact, they are angry because we did not let them blackmail us. They tried, but we told them that no member of the Transportation and Communications Commission would even consider discussing the matter.

PRD REPORTEDLY INVITES CASTRO TO PANAMA

PA011818 Panama City EXTRA in Spanish 1 Jul 87 p 19

[From "The Government Is Crumbling" column]

[Text] The switch to the communist line, which is now being promoted by top government leaders, became stronger after the visit of Nicaraguan President Daniel Ortega and the trip that Carllos Ozores and Ramiro Vasquez, members of the PRD's [Democratic Revolutionary Party] CEN [National Executive Council], made to Cuba last weekend to invite Fidel Castro to visit Panama.

UN ENVOY REPORTS NONALIGNED MOVEMENT SUPPORT

PA090105 Panama City Panavision Television in Spanish 0000 GMT 8 Jul 87

[Telephone interview with Panamanian Ambassador to the UN Dr Jorge Eduardo Ritter by Rey Barria -- live or recorded]

[Text] [Barria] Dr Jorge Eduardo Ritter, Panamanian ambassador to the UN, there was a meeting of the Nonaligned Movement this morning at UN headquarters. Would you be so kind as to give us details of this morning's events at the UN?

[Ritter] With pleasure. The Nonaligned Movement held a meeting this morning with the sole purpose of listening to the Panamanian Government's position on the current situation. The situation was explained to the Nonaligned Movement, as were the motives for Panama's rejecting most categorically the U.S. Senate resolution, Panama's reasons for considering this resolution an intervention in Panamanian domestic affairs, and how all this disinformation and slander against Panamanian authorities could lead to the failure of the Contadora negotiations and could contribute to the creation of conditions that would justify a U.S. military presence in Panama beyond the year 2000. Right after my statements to the Nonaligned Movement, a few ambassadors expressed their countries' support for the Panamanian cause. Among these I must mention the Latin American ambassadors from Colombia, Cuba, Bolivia, and Nicaragua, who expressed their countries' support for the just Panamanian cause.

At the end of the meeting, the nonaligned president, the ambassador from Zimbawe, presented a communique for the consideration of the assembly -- this is the method used by the Nonaligned Movement, instead of resolutions, it issues communiques -- a draft summarizing our statements to the plenum and reiterating -- and this, I think, was the most important part of the meeting -- the Nonaligned Movement's support for Panama's just claims over the Panama Canal, deploring the slander campaign launched against high ranking Panamanian officials, which has not stopped, requesting an immediate halt to this slander campaign, and voicing a firm rejection of U.S. intervention in Panama's domestic affairs.

I must add that during my statements to explain Panama's position to the Nonaligned Movement, I gave a detailed account of the gigantic campaign launched against General Noriega. At the end of the meeting, the Nonaligned Movement ambassadors accepted the proposed resolution, as I have explained, rejecting the slander campaign against General Noriega and requesting an immediate stop to said campaign.

To summarize, I believe the support given Panama today by the Nonaligned Movement, which is composed of 101 countries from all continents, has been extraordinary. This is an encouragement for us to continue the struggle because we know that we are not alone. After last week's OAS resolution, this confirms world support for the Panamanian cause. The best demonstration is that the 101 countries making up the Nonaligned Movement have unanimously -- without taking a vote [as heard] -- approved the communique reaffirming the movement's support for Panamanian rights and calls for an immediate stop to the slander campaign against the high-ranking Panamanian officials.

CIVILIANIZATION CRUSADE GROUP VISITS COSTA RICA

PA030352 Panama City ACAN in Spanish 0308 GMT 3 Jul 87

[Text] San Jose, 2 Jul (ACAN-EFE) -- In a lightning visit to San Jose, a Panamanian delegation said Costa Rica runs the risk of being trapped between two dictatorships, Nicaragua's in the north and a new one in Panama.

Aurelio Barria, spokesman for "Panama's Civilianization Crusade," asked Costa Ricans to "ponder the serious situation of your southern neighbor."

Barria told the press at the Legislative Assembly this afternoon: "Another dictatorship which represses the people violently is beginning in Panama. This dictatorship will have negative repercussions in the future."

Barria said: "This complicates the Central American political panorama." He asked Costa Ricans to "become aware that in this particular case it is better to prevent than to have to regret." He added that it is necessary to make efforts "to prevent violence in Panama." The "Civilianization Crusade" members predicted that "violence will not decrease but will worsen."

The delegation members reported that at noon about 50 armed men attacked hundreds of peaceful demonstrators who marched through the streets demanding liberty and the end of the dictatorship.

The attackers, presumably "military in civilian clothes," arrived in three vehicles which they "got off of armed with submachineguns and incendiary bombs and proceeded to fire on the demonstrators."

Barria said that some people "were dislodged from a downtown store. Then, the attackers set fire to the building and the merchandise."

The "Civilianization Crusade" members said that the popular movements in Panama "demand democracy, justice, and liberty" for their country.

The delegation members said they visited Costa Rica "to report to the government, including the deputies, about what is happening in Panama and the danger posed by this situation to the region's future."

The "Civilianization Crusade" spokesmen said they were teachers, businessmen, employees. "All of us are peaceful, civilian-minded, and do not represent any political party."

ALFONSIN ADDRESSES ARMED FORCES DINNER

PY081812 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0026 GMT 8 Jul 87

[Text] Buenos Aires, 7 Jul (NA) -- President Raul Alfonsin tonight announced the existence of "a desperate strategy by those who know that time is running out for them to reintroduce decadence" and by those whose "main target, at least during the coming months, will be the Argentine Armed Forces," against whom they will launch "a major psychological campaign."

The president announced that for this reason, it will be necessary for "each chief of staff to implement a special program, drawn up by the respective intelligence service," and that the chiefs of staff "will take servere disciplinary measures against any member of the Armed Forces who makes political comments." The president also said that "meanwhile and to the extent possible, public information on military matters will be centralized at the Defense Ministry."

Alfonsin made these comments in a speech at the Aeronautics Center, during the Armed Forces comradeship dinner, where he gave a detailed account of the programs being implemented to modernize the military institutions. In addition, the president, standing with the joint chief of staff, the chiefs of staff of the three branches of the Armed Forces, Vice President Victor Martinez, Defense Minister Horacio Jaunarena, and high-ranking Defense Ministry officials and military officers, asked all Argentines "to duly recognize the unselfish task for the fatherland jointly carried out by the men of the Army, the Navy, and the Air Force."

After denouncing what he called the "desperate strategy" of those who are promoting "a scheme leading to decadence," Alfonsin noted that "we cannot anticipate the answer of every organization upon which the nation's democratic life must be based. He added: "Although I expect that such an answer will be mature, I cannot be sure that childish attitudes will not give priority to ephemeral results and fleeting arguments." He said the possiblity that such attitudes will prevail does not worry him, because the maturity of the people will finally convince everyone of the need to follow the "road of responsiblity."

Alfonsin stated: "I am sure that, at least in the coming months, the Armed Forces will be the most important target." He predicted that "the Armed Forces will bear the brunt of a large-scale psychological action, which can already be discerned in the antidemocratic voices that you and the nation have been hearing."

Alfonsin pointed out that "the intention of the commander in chief of the Armed Forces is to spare the armed institutions from such a harmful action," and "to this effect, he counts on the intelligence and patriotism of their members." He reasserted that "efforts will be made through direct education and through the communication media to create an awareness of the importance of the national defense, the Armed Forces' function, and the role of the civilian society."

The president stressed that "despite budgetary limitations, low salaries, the lack of comprehension of a few who want to damage the institutional image, the Armed Forces as a whole are demonstrating their unwavering will to integrate themselves into the republican service."

In noting that "the modernization of Argentina presupposes the formulation of a grand strategy encompassing all areas of the nation's activities," Alfonsin stated that "the most important but not necessarily the only contribution of the Armed Forces -- its most specific action -- is in the area of defense." Alfonsin said: "This is the conceptual framework within which we want to undertake our country's modernization." He added: "We already have a plan for the Armed Forces of the future. Meanwhile, guided by the forward-looking proposal of the government for the country of the future and for a rational distribution of available resources to maintain the nation's necessary military capability, the Armed Forces are successfully coping with their present difficulties."

Regarding actions taken to specifically "consolidate the modernization we want," Alfonsin said "there are three main stages: rationalization, reorganizaton, and long-term planning." In the rationalization stage, the president cited "the implementation of a new method for planning and controlling the budget, a method similar to those used by the most modern governments." He added that this "has allowed resources to be better adjusted to the needs and priorities of the program in accordance with the joint military planning."

The effort to reduce administrative and bureaucratic expenditures "through the elimination and merging of components and the control of operational expenditures has yielded positive results because if we were to compare the 1985 and 1986 budgets at constant values, we would see that the Navy increased its actual time at sea by 23 percent and the Army has been able to carry out maneuvers for the first time since the end of the Malvinas war," Alfonsin stated.

Referring to the reorganizational stage of the Armed Forces, Alfonsin stressed that achievements that have allowed "the termination of certain command positions, taking advantage of the capability of other commands," and "the merger of small units and organizations into more important organizations." He also mentioned as an achievement in this field "the transfer of some units. [quotation mark as received] He cited as example the Air Force project to centralize its bases of greater Buenos Aires in Ezeiza. He then went on to describe what he defined as a "long-term planning" that "will set up the future military instrument that will be necessary for the continued modernization of Argentina." He added: "It will be the future of a thoroughly planned and intelligent action, based on the strategic guidelines that are carried in strict accordance with the established plans."

Some things the president thinks are contributing to modernization are "the new plans for training personnel, plans that seek to train men to effectively fight on the modern battle field." Citing other military achievements, Alfonsin mentioned the partial and experimental inclusion of volunteer soldiers and modern aircraft and tanks, as well as "the improvement of the agreements with Italy and Brazil for the production of our defensive materiel." He also cited "the rationalization and, to the extent possible, the privatization of some enterprises that are subordinate to the Defense Ministry." He then referred to the amendment of the military code of justice which represents, he said, "the first step of an ambitious and big step to place the Armed Forces together with the other sectors of society at a level of modernization in keeping with our times." He added: "Argentina needs its Armed Forces as much as any other modern government, to guarantee its sovereignty."

After saying "the military are getting ready for war not because they want war, but to prevent it," Alfonsin said that "without the Constitution there are no Armed Forces, just as there are no Armed Forces except those provided by the Constitution."

Concluding his speech, the Argentine prepsident stated that "we Argentines have experienced too long a period of instability and disunity" and added that "today there are clear, unequivocal signs of the general desire to definitely change that sinuous and declining path that has led us to stagnation." "And this" -- he added -- is overwhelmingly expressed here and there whenever the people praise the achievements of peace, understanding, and coexistence, the only paths that lead to reconstruction, progress and unity."

ALFONSIN SPEAKS AT MORON HOUSING DEDICATION

PY081954 Buenos Aires Domestic Service in Spanish 1544 GMT 8 Jul 87

[Speech by President Raul Alfonsin at dedication of housing complex in Moron district, Buenos Aires Province -- live]

[Excerpts] It is a real pleasure for me to be here with you this morning. [applause] [passage omitted]

I have spent a rewarding morning because we were able to verify that, thanks to the efforts of the humblest people, changes were made and work was done despite the economic crisis we are experiencing. [passage omitted]

We Argentines have begun a new phase and are leaving backwardness behind forever. [applause]

The enemies of democracy know that the end is near for them. They know time is running out for a return to an authoritarian system. They will attempt anything; mainly they will try to divide the Argentine people.

This is why anyone who calls himself a democrat must appeal to all Argentines and not just to a single political sector because our national institutions are above political sectors because our national institutions are above political divisions. [applause]

We must give a mature answer to the extremist sectors, particularly the extreme right, especially now, when they are trying to upset Argentine society and divide us. But we would be playing into their hands if we allowed them to endanger our coexistence or to politicize events that the majority of Argentines firmly reject.

We must unite in the face of this situation. Elections will take place within 60 days. They must take place after each political party dutifully carries out a campaign upholding the Constitution, our national institutions, coexistence, and respect for ideas. Otherwise, the seeds of antidemocracy will be present in the people. That is how we should behave.

Friends of Moron, I am sure that the great majority of the Argentine people understands us. [passage omitted]

Students Interrupt Speech

PY090326 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1920 GMT 8 Jul 87

[Text] Buenos Aires, 8 Jul (NA) -- A group of Peronist demonstrators provoked an unexpected reaction from President Raul Alfonsin just as he was beginning his impromptu speech in front of Moron City Hall, in Buenos Aires Province.

Around 100 students interrupted the president's speech by shouting "we are hungry...we want student bus fares." The students were carrying signs identifying them as members of the Peronist University Youth from Moron University.

Alfonsin was repeatedly forced to call for silence. Since no one heeded his calls, Alfonsin asked the cameramen to focus their cameras on the students "to let all Argentines know who is helping democracy and who is fighting it."

Before the incident, Alfonsin told the group, which was carrying a large poster of former President Juan Domingo Peron and pictures of Antonio Cafiero, a Justicialist Party candidate for governor of Buenos Aires Province, that "everyone has the right to make demands and requests, but they also must listen to the speaker."

Since the demonstrators seemed to pay no attention to him, Alfonsin emphasized that "those who interrupt are helping the enemies of democracy who want to divide the Argentine people."

After the incident, the demonstrators stopped chanting and shouting their demands and Alfonsin continued his speech, which closed the ceremonies he presided over in Moron. Later, in the middle of Alfonsin's speech, most of the Peronist demonstrators left quietly.

Alfonsin did not have the best stage for his speech, because from the surrounding windows many Peronist supporters had hung sings that read, among other things, "Argentina I love you...that is why I vote for Cafiero." The incidents did not get out of hand, and according to estimates, approximately 1,500 spectators attended the official ceremony.

FINANCE MINISTRY ANNOUNCES ACCORD WITH IMF

PY090315 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2345 GMT 8 Jul 87

[Text] Buenos Aires, 8 Jul (NA) -- According to an official report released by the Finance Ministry this evening, this month the IMF will disburse $1.04 billion from a new loan that was granted to Argentina. Since the IMF will also disburse two $210 million installments in October and December, Argentina will receive credits of $1.46 billion over a 1-year period.

The Finance Ministry this evening reported the accords that were recently agreed upon with the IMF. These accords were reached after a review of Argentina's failure to meet the obligations it contracted early this year, when an agreement for refinancing the foreign debt was signed with the IMF.

Of the $1.04 billion that Argentina is about to receive to meet its obligations, $670 million has been granted because of a drop in Argentina exports -- this is $170 million more than originally allotted for this credit -- and $370 million accounts for the first disbursement on the stand by [preceding two words in English] loan. It should be noted that the first disbursement was originally budgeted at $240 million.

According to the Finance Ministry, the IMF has promised to disburse the credit in 5 bimonthly payments of $210 million each. The first payment will be received in October 1987. The Finance Ministry added that the objective of the bimonthly payments is to increase the amount to be received in 1987.

These accords are the result of the negotiations held in the United States following Argentina's failure to meet its monetary and fiscal targets of the first and second quarters, although the official figures for the second quarter have not been released so far.

The Finance Ministry communique stated that the credit granted because of the export drop is larger than the amount that was originally established, and this "reveals that the effects the floods and the world price slump for our livestock and agricultural products have had on our fiscal accounts and on our balance of payments have been taken into account."

The disbursement schedule of the stand by loan of approximately $1.42 billion, to which the IMF executive board gave its preliminary approval on 18 February, was modified, increasing the first installment from $240 to $370 million. After the rescheduling, the total amount that the IMF will disburse this year will be similar to the amount that was originally established.

According to the Finance Ministry, the first IMF disbursements will be delayed until the "critical portion" of the obligation owed to foreign banks is met. The disbursement of the IMF money will also be delayed because of the failure to achieve some of the targets [words indistinct] the first half of the year.

Economic policy Under Secretary Juan Sommer told reporters that 98 percent of the banks involved in the operation have already agreed to the terms. The report released by the Finance Ministry stressed that "under the terms of the accord with the IMF, new fiscal, monetary, and balance of payments targets have been set for August, October, and December."

"The difficulties that have affected the balance of payments and the fiscal accounts during the first half of the year, and the measures the government has taken to overcome them, have been taken into account in designing these targets. Such targets seek to secure sustained economic growth and a reduction of the inflation rate," the Ministry report concluded.

Even though Finance Secretary Mario Brodersohn said last week that the Ministry communique was to be released on 7 July, the report was issued the next day because of the difficulties in negotiating a final accord with the IMF.

The agreement had been initially agreed upon in general terms by Economy Minister Juan Sourrouille during his last visit to the United States, where he and top IMF officials talked over the issue in Washington.

The Ministry communique gave no details about the targets the Argentine economy will be expected to achieve over the next few months, although it has been taken for granted that many of the measures that have been adopted in recent days, like the sucessive mini-devaluations, are part of the agreement reached with the IMF.

TROCCOLI SPEAKS AT CONGRESS ON DOMESTIC SECURITY

PY080401 Buenos Aires TELAM in Spanish 2215 GMT 7 Jul 87

[Text] Buenos Aires, 7 Jul (TELAM) -- In a 40-minute address to Congress, Interior Minister Antonio Troccoli tonight said the government has not reduced its surveillance and continues to carefully control the natioinal territory. he also said: There is no reason why these recent attacks should be attributed to us because the material and the methods indicate that they are typical operations of the extreme right-wing sector.

Troccoli centered his speech on domestic security, and he mentioned the most violent periods of Argentine history during the last decades. He said that the government is seeking to base security on respect for the state of law.

Troccoli then commented on the need to harmonize the work of the Executive Branch and of Congress, adding that to summon a minister based on an isolated fact is an aberation of the democratic system. He concluded by saying that an interdependent system to deal with vital issues must be created, not to achieve uniformity, but to find basic similarities to allow the establishment of a consensus.

SOCMERC OPINION POLL SAYS ALFONSIN WOULD WIN

PY271827 Buenos Aires BUENOS AIRES HERALD in English 27 Jun 87 p 11

[Text] If President Raul Alfonsin was to stand for reelection 34 percent of the population would vote for him against 29 percent who would vote for a Peronist candidate, according to a survey carried out by the Socmerc opinion poll firm.

The poll showed, however, that if Alfonsin did not run the preference of the population would swing to a Peronist candidate, the Peronist polling 38 percent of the vote against eight percent by the Radical candidates names in the poll, with another 39 percent yet undecided.

Carlos Menen was the preference of the pro-Peronists, with a 14 percent of the vote in his favour when standing against Alfonsin and 18 percent against any other Radical candidate.

Former presidential candidate Italo Luder would poll six percent of the vote against Alfonsin and nine percent against another Radical while Alvaro Alsogaray and Francisco Manrique would each poll one percent against Alfonsin and two percent if the president was not running, the poll showed. Leftwing parties would poll six and eight percent respectively.

CABINET APPROVES 3-YEAR ECONOMIC PLAN

PY090220 La Paz La Red Panamericana in Spanish 0000 GMT 9 Jul 87

[Excerpt] The cabinet has approved the decree on the economic reactivation plan involving $1.4 billion. This is a 3-year economic plan that will eventually lead to the third stage of the government economic policies. It is part of an overall 10-year plan. Information Minister German Antelo reported that the decree will not be released until 10 July because it must go through administrative procedures. However, the minister gave some information to the press.

[Begin Antelo recording] The national cabinet concluded the study of the national economic reactivation program and approved a decree. The decree will now go through administrative procedures for corrections and will be released after a cabinet meeting, which, unfortunately, will not be tomorrow but at 0900 on 10 July. The reason for the delay is the length of the decree. However, I would like to make some comments. This is not just a big package. The decree has economic measures aimed at increasing production to favor producers and to give them all the incentives they need. We believe that only through greater production will we be able to create more jobs and improve the Bolivian people's standard of living. Therefore, there will be no change in the dollar value; there are no price changes. This decree is of a different type: It is a decree that has been thoroughly evaluated and, as I said, is aimed at accentuating the positive aspects of productive activity in the country. The decree has 195 articles and will be more than 100 pages long. We are going to release it 10 July. [passage omitted] [end recording]

MALAYSIAN INDUSTRY MINISTER ENDS VISIT 8 JUL

PY081357 La Paz La Red Panamericana in Spanish 1130 GMT 8 Jul 87

[Text] Malaysian Primary Industries Minister Lim Keng Yaik has ended his visit to our country. He left yesterday at 1400. Mines and Metallurgy Minister Jaime Villalobos noted the importance of the Malaysian minister's visit.

[Begin Villalobos recording] The visit by the Malaysian minister was important for two fundamental areas of cooperation: mining and agriculture. In the mining area, common efforts by Bolivia and Malaysia will continue on behalf of the tin-producing countries organization. [passage indistinct] We will try to convince Brazil and the PRC, two important tin-producing countries that are not members of the organization, to limit their tin exports and to join the organization. [end recording]

Minister Villalobos then announced that the tin-producing countries organization will meet this coming September to discuss the tin market situation. He added that during this visit, some joint strategies have been established. Villalobos said that the FGF [expansion unknown] has set a quota of 1,500 fine tons for this year, and the tin-producing countries will try new ways to get better prices on the international market. Bolivia and Malaysia also discussed possibilities of technical cooperation to set up joint companies to exploit placer gold deposits, and the basis was established for cooperation in processing tropical products such as soybeans, cacao, and rubber.

BRESSER DEMANDS ZERO SPREAD TO END MORATORIUM

PY090351 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Jul 87 p 17

[By Pedro Cafardo]

[Excerpts] Brazilian Finance Minister Luiz Carlos Bresser Pereira will propose that our creditor banks refinance the entire Brazilian foreign debt on a zero spread [preceding two words in English] rate. A spread is a surcharge on loans collected by creditor banks from their borrowers. Theoretically, the spread rate is based on the international standing of each creditor.

Bresser yesterday told O ESTADO in Brasilia that "a zero spread would be very reasonable." He added that a zero spread will be one condition the Brazilian Government will demand to end the moratorium on its foreign debt payments. In his last weeks's briefing at the Chamber of Deputies, Bresser mentioned the reduction of the spread as a condition, but he never suggested that it should be reduced to zero. [passage omitted]

The reduction of the spread is, however, just one condition the minister will demand to end the moratorium. As he said earlier at the Chamber of Deputies, he will also request the rescheduling of interest payments falling due in 1987 and 1988. He will not agree to make any interest payments in 1987. In 1988, however, he would agree to pay up to 40 percent or 50 percent of all interest payments falling due in that year; that is, nearly $2 billion.

Bresser is scheduled to go to the United States on 21 July for talks only with IMF officials. The Central Bank president will be charged with initiating talks with the bankers. Bresser said he will not accept any attempt by the bankers to link our agreement with the banks to our agreement with the IMF. He said: "There will be no cross default [preceding two words in English] clause. I will not sign such a thing." By virtue of the cross default clause, the banks will suspend their disbursements if the IMF suspends its disbursements. The cross default clause was a standard clause in all agreements signed by Brazil with the international community under the old republic. Bresser believes, however, that this condition is totally unjustified. He said: "My deals with the banks are in no way related to the IMF."

COMMUNISTS WITHDRAWING SUPPORT FOR GOVERNMENT

PY292320 Sao Paulo FOLHA DE SAO PAULO in Portuguese 28 Jun 87 p A-7

[Excerpts] [Passage omitted] The Brazilian Communist Party (PC do B) is progressively hardening its orthodox political policy. It is directly involved in conflicts for the possession of land in Para State (where nearly 3 weeks ago Paulo Fontelles, a party leader, was shot dead). It has been accused of organizing the street rally on 17 June in Goiania, Goias State, of organizing the invasion of land in the eastern part of Sao Paulo State in March and April 1987, and of being involved in fistfights in the Constituent Assembly. Since March 1986 the PC do B has slowly been withdrawing its support for the Sarney government, and last week the party's executive board advanced a few more steps toward breaking off its alliance with the center sector of Brazilian politics.

According to the party's executive board, which met in Sao Paulo last weekend, the government "is trying to impose a regressive regime; in other words, a replica of the arbitrariness that was implemented during the dictatorship." The radicalization of the PC do B not only affects the government, which the PC do B accuses of "selling out" and of being "reactionary," but it also directly attacks Ulysses Guimaraes (PMDB-SP) [Brazilian Democratic Mobilization Party -- Sao Paulo State] president of the Constituent Assembly, of the Chamber of Deputies, and of the PMDB. According to the Communists, the government, "through the most cynical corruption, perks, threats, and reprisals, is forging an obedient majority with Ulysses Guimaraes' complicity."

The PC do B stresses that it "started to oppose the federal government" in March 1986. Although the party's document states that "opposition does not mean the seeking of unrealistic solutions," this party that has 50,000 members in approximately 1,000 towns could be turning into the most aggressive group that has weight within the weak Brazilian left.

The old alliance with the PMDB seems to be breaking up. "The PMDB position is disappointing." This was one of the conclusions reached by the PC do B national executive board. [passage omitted]

The PC do B, which will not reveal how many of its 50,000 members are effectively militant (it is estimated that approximately 20,000 are militants) and does not allow the press to cover meetings of its grassroots committees, as though it were still acting underground, is an enigma that is increasingly being felt in the Brazilian political sector.

Led by the legendary Jao Amazonas, 75, who refuses to give interviews, the PC do B does not openly organize or promote violent actions.

The party claims that the land seizures in eastern Brazil are a "movement for housing." The party also claims that it has disseminated leaflets, that it has provided legal assistance to squatters, and that it has sponsored parties and demonstrations in land conflict areas.

Asked about the armed struggle in rural areas, however, a leader who asked not to be identified told FOLHA this week that "the form of struggle depends on the situation." [passage omitted]

The PC do B presence in the Brazilian labor movement is not significant. The party supports the General Labor Central [CGT] (CGT first secretary Sergio Barroso is a PC do B member), despite the fact that the more radical sectors criticize the CGT's "inaction."

On the other hand, the PC do B plays a significant role in Brazil's weak student movement. The party has headed the National Student Union (UNE) since the latter was reorganized in 1979.

GEN MATTHEI DISCUSSES CABINET RESHUFFLE, RAIDS

PY081401 Santiago Domestic Service in Spanish 1030 GMT 8 Jul 87

[Excerpt] After chairing the regular legislative session at the Diego Portales Building, Air Froce General Fernando Matthei stated that the objective of the Cabinet reshuffle is to strengthen the government politically in order to ensure that the government continues byond 1989.

[Begin recording] [Matthei] A ministerial cabinet has only one objective: to carry out the government's political plans. If the cabinet is reshuffled, the objective is to strengthen a given political line.

[Reporter] But, doesn't this reorganization seek a projection byond 1989?

[Matthei] Well, yes. We are approaching 1989, and as I said, the president and the government are trying to ensure that the government continues beyond 1989, and to do this the president must, of course, look for the right people. I see no contradiction in this. [end recording]

Gen Matthei was asked about Msgr Sergio Contreras' assertion that the recent raids are an affront to the people. Matthei said these raids are being carried out according to current laws.

[Begin Matthei recording] I think these raids are based on legal norms. If conducted appropriately, they are considered legal. What I do not know is whether they should be carried out at all, and whether they are worth the effort. But I cannot comment on Msgr Contreras' opinion. It is his own opinion. I cannot give you my opinion because I do not know the reasons that led the government to take these actions. I really have no reference for these actions. I can assure you that the Air Force is absolutely unaware of the reasons for these raids. [end recording] [passage omitted]

Leaders View Reshuffle

PY090120 Madrid EFE in Spanish 1440 GMT 8 Jul 87

[Text] Santiago, 8 Jul (EFE) -- Most Chilean political leaders believe the Cabinet reshuffle will involve a hardening of the policy of General Augusto Pinochet, who wants to be reelected no matter what.

Christian Democratic Party President Gabriel Valdes, a former foreign minister, said that the reshuffle, which has involved the replacement of 7 ministers, "means the hardening that Pinochet has undertaken with a view toward being reelected no matter what."

Valdes referred to the return of Sergio Fernandez to the Interior Ministry, recalling Fernandez' performance as interior minister between 1978 and 1982, which he described as "extremely negative, during a stage that was both tragic and difficult for our country."

Valdes noted that during those years the country went through a "dark antidemocratic period of obscurantism and extremely serious human rights violation." Valdes remarked that the replacement of Foreign Minister del Valle was "obvious and for clear reasons."

Gabriel Valdes said that Ricardo Garcia was designated to replace Del Valle "because of his loyalty to Gen Pinochet."

Historical Socialist Party leaders have said that the Cabinet reshuffle "reaffirms an intention to continue an exhausted regime that has proven unable to solve the national crisis."

For his part, former Senator Patricio Phillips, president of the rightist National Party, said the reshuffle "hints at a hardening and, at the same time, at the launching of Gen Pinochet's candidacy."

National Renewal leader Juan Coloma said that "there are no doubts as to the qualifications of the new interior minister," whose role "will be to consolidate the work of the outgoing minister."

New Ministers on Plans

PY081335 Santiago Domestic Service in Spanish 1030 GMT 8 Jul 87

[Text] Sergio Fernandez, after being sworn in as new interior minister, has expressed his desire to take all measures necessary to fully implement the 1980 Constitution. Showing signs of excitement, and answering questions posed by the press on how he will face his second term as chief of the ministerial Cabinet, he stated:

[Begin Fernandez recording] My mission is very clear, very precise, and yet, very broad. I must take all necessary steps to fully implement the 1980 Constitution. This means that we are going to issue all those laws that need to be issued, and whatever complementary rules may be necessary for the full implementation of the Constitution.

The 1980 Constitution provides for a government which, we firmly believe, is the model for a free society, a model for a free economy and a model in which the value of man is recognized. We believe in these values. We work for them, and we are going to fight for them. This is our mission upon assuming the leadership of this Cabinet. [end recording]

Referring to his return to the Interior Ministry, Fernandez stated that this is a different period, and thus, it will require a completely different approach, and a different analysis of the situation.

I am returning to the government with great enthusiasm, with much faith, and with the absolute conviction that the country understands the fruitful work of this government, Fernandez stated.

Meanwhile, Orlando Poblete, who replaces Francisco Javier Cuadra as government secretary general, has stated that he is ready to devote himself completely to his new post. He referred to his new mission as secretary general of government in the following manner:

[Begin Poblete recording] I think the president has been very clear in pointing out the objectives and challenges the country has encountered. I think the idea is to consolidate the accomplishments achieved in the past few years, and to project them toward the future. Of course, the Cabinet's mission is to try to fulfill these objectives. [end recording]

The new secretary general of government, lawyer Orlando Poblete, was born in the town of Los Angeles. He is currently an assistant professor of law at the University of Chile Law School. Since 1978, he has been adviser of the 2d legislative commission headed by General Fernando Matthei.

In 1984 he became director of the newspaper LA NACION. He was still holding this post when he was designated minister secretary general of government.

RETIRING ARMY GENERALS' REPLACEMENTS ANNOUNCED

PY071916 Santiago EL MERCURIO in Spanish 2 Jul 87 p C5

[Excerpts] Brigadier General Washington Garcia, commander of the Military Industries and Army Engineering Command, has taken over at the National Recuriting Directorate. Gen Garcia is replacing Brigadier General Arturo Alvarez Sgolia, whose resignation from the Army was accepted by the president of the Republic.

In turn, Brigadier General Mario Navarrete took over as commander in chief of the Southern Military Region. Gen Navarrete is replacing Major General Claudio Lopez Silva, who also went into retirement.

This information was supplied by Major General Manuel Barros Recabarren, the Army inspector general and Army chief of staff, who made it clear that Maj Gen Lopez Silva will remain as 12th region intendant as a retired general. [passage omitted]

'SHINING PATH OF CHILE' ORGANIZATION CREATED

PY071533 Santiago FORTIN MAPOCHO in Spanish 28 Jun 87 p 2

[Text] The Shining Path of Chile organization has issued a communique announcing its goal to struggle for "the restoration of the people's liberty and rights." This organization is thus surfacing in the country.

The typewritten text of the communique was sent to all national mass media.

The communique states that "hundreds of leaders throughout the country are included in the ranks of the Shining Path of Chile organization, which was recently created."

"We are calling for a struggle for unity among workers, peasants, mineworkers, students, slumdwellers, intellectuals, and all the social, political, and trade union forces which, one way or another, are victims of a regime that intends to perpetuate itself in power," the communiue adds.

The communique demands the return of all the exiles, rejects the law on political parties, and calls for a "permanent and active mobilization by the Chilean people to prevent a military confrontation with Bolivia and Peru."

POLISH DAILY INTERVIEWS FOREIGN MINISTER

AU291412 Warsaw RZECZPOSPOLITA in Polish 25 Jun 87 p 2

[Interview with Foreign Minister Julio Londono Paredes by Ryszard Bilski in Warsaw on 24 June]

[Text] [Bilski] Why is it that your first trip abroad as foreign minister has taken you to Poland?

[Londono] I have come to Poland mainly for two reasons.... First, in his many speeches, the Colombian president continues to stress the need to intensify relations with socialist countries. Second, our two countries have maintained cordial and active relations for many years now.

[Bilski] How do you evaluate General Wojciech Jaruzelski's disarmament proposals?

[Londono] The Colombian Government is in favor of peaceful cooperation and rejects war or a threat of war as a means to solve conflicts. That is why we sympathize and praise every initiative that seeks to produce agreement to preserve peace and stability in interstate relations.

[Bilski] Where do you see an opportunity for increasing our mutual trade?

[Londono] I think that the mining industry presents possibilities for advantageous cooperation. We have agreed that the Polish minister of mining will visit Colombia to discuss some detailed issues of this cooperation, for example technology. We are especially interested in coal mining.

We should also think of assuming some common action concerning trade in coal.

[Bilski] Has your visit to Poland enriched your experience? If so, in what way?

[Londono] I have gained the best possible experience here by having seen a fine country and by having noticed that you have clear and feasible goals with regard to improving the economic and social situation. I am also pleased that Poland continues to actively cooperate with developing countries, including Colombia....

Londono Assesses Visit, Trade

PA051201 Bogota Emisoras Caracol Network in Spanish 1215 GMT 29 Jun 87

[Text] Bogota -- The Colombian Government has warned that diplomatic actions alone will not resolve the disagreements among the countries that produce and consume coffee, will not reestablish the quota system, and will not create a movement to improve coffee prices, which have currently reached their lowest levels.

Colombian Foreign Minister Julio Londono said that Colombia will continue making diplomatic efforts, but that the country must know that the United States, on the one hand, and Brazil, on the other, have fixed their positions regarding the coffee agreement.

Brazil is currently producing over 35 million bags of coffee, and it stated that it will not make further concessions or sacrifices. The United States, for its part, requested open market regulations.

Foreign Minister Londono made those statements upon his return from a 10-day tour through Poland and Czechoslovakia, where he obtained the determined support of those two socialist states for the program against absolute poverty promoted by President Barco.

In addition, Foreign Minister Londono confirmed the Colombian proposal of participating at the Organization of Coal Exporting Countries to defend coal prices.

Foreign Minister Londono, who gave a long interview to Caracol Network at El Dorado Airport, said that for the time being the incorporation of our country into OPEC [as heard] is not likely, among other things, because the proposals [words indistinct] are hardly significant.

Foreign Minister Londono opened the possibility of a visit of President Barco to Prague, Warsaw, and other Polish [words indistinct]. Londono said that he found great receptiveness in those European socialist nations, where he presented the Colombian political panorama and the Central American crisis, for which it obtained the support of the two nations for the Contadora Group initiatives.

MINISTRY REVOKES WARRANTS FOR U.S. EXTRADITION

PA090227 Bogota Emisoras Caracol Network in Spanish 1215 GMT 6 Jul 87

[Text] Bogota -- The Justice Ministry will today begin revoking and suspending the arrest warrants against Colombians whose extradition is sought by the United States. The decision is the result of the Supreme Court's ruling that declared the law approving the extradition treaty unconstitutional, thus preventing its internal application in Colombia. The Justice Ministry decision will benefit 65 Colombians, including the most important capos, such as Pablo Escobar Gaviria, Gonzalo Rodriguez, and Jorge Luis Ochoa Vasquez. The Justice Ministry is empowered to revoke the arrest warrants by virtue of the administrative judicial system, which [words indistinct] the extraditions until the ruling of the Supreme Court on Law No 68 of 1986, which approved the Colombian-U.S. treaty.

BRIEFS

POLICE DESTROY COCAINE LABORATORIES -- Fourteen newly discovered cocaine laboratories were destroyed yesterday by the National Police's Antinarcotics Division in Putumayo. Police sources stated that during this operation they destroyed 56 kg of coca base, 106 arrobas of coca leaves, 4 hectares of coca crops, 1.150 gallons of leaded gasoline and 200 gallons of gasoline mixed with other products. They also confiscated 100 gallons of hydrochloric acid, 20 kg of carbonate, and 5 gallons of sulphuric acid. [Summary] [Bogota EL TIEMPO in Spanish 20 Jun 87 p 3-a PA]

PRIME MINISTER LARCO COX ON GOVERNMENT

PY061724 Lima RBC Television in Spanish 0400 GMT 6 Jul 87

[Interview with Prime Minister Guillermo Larco Cox by journalist Cesar Hildebrand in Lima on 5 July -- Recorded]

[Text] I have the honor of presenting Prime Minister Guillermo Larco Cox on the "In Person" program. We said last week that the new Cabinet not only represents a new team with some new members but also a new government's confidence in its ability to overcome the current crisis. We will talk about this with Minister Larco Cox, who was kind enough to accept our invitation to appear on this program.

[Hildebrand] Good evening, Eng Larco Cox.

[Larco Cox] Good evening, Mr Hildebrand.

[Hildebrand] This is the second time you have been in this studio, this time in a quite different situation.

[Larco Cox] Yes, the first time was like a prelude to this one.

[Hildebrand] I would like to ask you a simple question. What difference would the ordinary citizen notice between this Cabinet and the previous one? How would you define a substantial difference?

[Larco Cox] Let me state a premise first. I have great appreciation for Luis Alva Castro. So no one should expect apocalyptic or condemnatory judment of Alva Castro's adminstration from me. On the contrary, I must recognize the merit of his administration, whose main accomplishment was to design an economic model based on the expansion of demand, a concept by which all other variables ideological and doctrinal principles of the APRA [American Revolutionary Popular Alliance]. This model will be maintained. So to see any difference, we must wait for the results of the program.

Now, when the variables begin to show the wrong trend, corrections must be made immediately. The president has said very eloquently that there is a difference between doing surgery with an ax and with a scalpel. This concept is fundamental in order for the whole model to function well; that is, using the scalpel to do delicate surgery at the appropriate time. Now, this is not intended as a criticism, not at all -- but the functions of the Economy Ministry require so much attention that they impede the functions that Alva Castro fulfilled as prime minister, such as presiding over the Council of Ministers, and coordinating the actions of the various ministries.

A basic difference between this and the previous government is that we will now be building bridges of understanding with the opposition. We will also be treating the Comptroller's Office with politeness, which was not done before. As you know, there was some sort of war with the Comptrollers Office. We will not say who declared it or refer to battles waged. let us just say that the verb to accuse was used back and forth, sometimes lightly. Yes, both sides used it: I accuse, you accuse, etc.

[Hildebrand] You do not like the verb to accuse. You were a victim of it.

[Larco Cox] That is right. For that very reason, I think that to talk about a person's honor, one must be very sure of what one is saying.

[Hildebrand] I will ask a question that is quite specific to your case, if you allow me, Mr Minister.

[Larco Cox] Of course.

[Hildebrand] Politically speaking, Mr Manuel Ulloa is not a saint in the opinion of many Peruvians, myself included. But in the case of Manuel Ulloa, has there not been a prejudiced exaggeration of unfounded charges?

[Larco Cox] That is the impression that is given. That is the impression I have. But a constitutional accusation process has already passed the Chamber of Deputies, and will be sent to the Senate. I will be present in that Senate in my capacity as a lifetime member to see that justice is done in a case involving such a serious accusation.

[Hildebrand] Where will the dialogue lead that you started with the opposition, talking with representaives of the United Left, (Madeildamer) as coordinator, and Alfonso Barrantes as tacit leader, although he is not recognized by the current executive committee? Will it lead to an agreement? What are you trying to accomplish with this dialogue, Mr Minister; to smooth things over; to maintain talks with the leaders of the opposition; or to accomplish something more serious and deep, such as some sort of unwritten pact on some points you have in common?

[Larco Cox] Among the many problems the country has, there are some that go beyond the competence of a single party and even the tenure of a regime. To begin tackling these problems we need to seek a broader agreement. Although this does not imply the revelation of a great secret, I can say that I have confidence in the parties' belief not only in the existing democratic system, but in the future of this system. I would say that, if they do not accept this dialogue, they do not expect to have access to the government someday. All political parties -- we should know, because we waited for 60 years -- should hope to assume the government someday. But the dialogue is not restricted to the United Left; it is aimed at the opposition as a whole. Contacts have been made to the appropriate level, and they will continue with other politicians.

[Hildebrand] Then there will be talks with Bedoya and Belaunde, right?

[Larco Cox] With whoever is designated by the parties. I myself will travel to the parties' offices as a sign of good will. I believe good will must prevail, because if we start thinking of the types of violence practiced by terrorists, drug traffickers, and kidnappers, I do not see how we can avoid reaching agreements in this regard.

[Hildebrand] For a dialogue with the opposition, proposals should also be offered so there can be a give-and-take. The opposition cannot subscribe to the government's positions blindly. There must be concessions on both sides. Is this the purpose of these contacts?

[Larco Cox] You have just said something that I do not even think of proposing. I will not present government positions, because I want to work out common positions. This is why I cannot go to the office of an opposition party and accept a position on which we are not all in agreement. These discussions will be restricted to actions of the executive branch. I would not be in a position to talk about political agreements because I am not the secretary general of the APRA, nor do I have authorization to seek political agreements. I will take advantage of such meetings to discuss natural resources, foreign policy, and terrorism.

[Hildebrand] What can the ordinary citizen expect from the APRA government -- which has been unable to eliminate nor even diminish terrorism -- regarding this phenomenom, which President Garcia has recently referred to as one of the greatest frustrations of this government? What changes can we expect?

[Larco Cox] More emphasis should be placed on a strategy of social action. Terrorism cannot be confronted with repression alone. The strategy against terrorism must have the support of everyone, and it must of course be based on respect for human rights on both sides. Concern must not only be shown for the treatment of Shining Path prisoners, but also for the treatment received by those who are helping to fight the terrorists. This is an important point. Another point is the exploitation of natural resources. Only a few weeks ago, the discovery of very important natural gas reserves was confirmed, and this means political decisions because we need financing to tap these resources. This means political agreement on the treatment to be given to foreign capital. We also need to find formulas so risk capital can come in and help us prospect for new reserves.

[Hildebrand] Eng Larco Cox, some people say that until now President Alan Garcia has had secretaries rather than ministers, and that the president's voice has always prevailed. Is there any change in this regard? Is this a Cabinet of yes men or is it a Cabinet that will handle problems collectively?

[Larco Cox] I cannot, as you will understand, agree that the previous Cabinet was comprised of yes men. There were probably some gestures in public that gave rise to that impression, but I think that to say all the ministers were toeing a line is an exaggeration. No, no, neither the previous, nor this Cabinet is comprised of yes men or rubber-stampers.

[Hildebrand] Finally, there are those who maintain that you represent the most conservative faction of APRA, and that your appointment is a way to avoid reforms and to work out the crisis. What would you say to these critics.

[Larco Cox] You can tell the tree by its fruits, says the Gospel. What could make one think that in my rather long political career I represented a reactionary or conservative sector? This is an unwarranted accusation. I joined APRA when I was a youth, and I have never heard such an accusation made against me.

[Hildebrand] What about the economic program?

[Larco Cox] Now, I am not a firebrand. There is a sector of firebrands. This is not so just in the APRA. In all parties you can find a sector of firebrands and radicals who make their political points at the expense of the level-headed sector.

[Hildebrand] Are you of the...

[Larco Cox, interrupting] I am of the level-headed, well-balanced sector. I intend to think things over, to be practical and realistic, because this is the time to solve problems and strive for accomplishments. This is no time for esoteric discussions.

[Hildebrand] I thank you for your presence on this program, Eng Larco Cox.

[Largo Cox] Thank you, Mr Hildebrand, because I consider this the first and the last occasion I will appear on such a program. I will now adopt a low profile so I can devote my time to work. This one time I wanted to appear on this channel, which once gave me an opportunity to clear up a defamation. And, as I have told you before, that was the beginning of a process that contributed to my having this responsibility today; a responsiblity about which I cannot boast or for which I cannot be congratulated. On the contrary, this is a responsibility that I assume fully aware of the great difficulties, with a clear and fearless attitude. And in particular I take over this responsiblity without a vindictive sentiment, which I believe is one of the most negative elements of our political life. Thank you very much.

[Hildebrand] Thank you, Mr Minister.

'TERRORISTS' PLANT BOMBS IN AREQUIPA, PUNO, LIMA

PA021944 Paris AFP in Spanish 1920 GMT 2 Jul 87

[Text] Lima, 2 Jul (AFP) -- The police confirmed in Lima today that suspected subversive commandos placed a bomb in a vehicle in this capital and dynamited the headquarters of the Court of Constitutional Guarantees in Arequipa and the dormitory of the National University of the Altiplano in Puno in the last 24 hours.

Meanwhile, 20 detectives of the Directorate Against Terrorism (DIRCOTE) yesterday arrested after a shootout 6 members of the terrorist command that on Friday stole 25,000 sticks of dynamite -- which were recovered on Monday -- in the mining center of Yanasiri, Huarochiri, 250 km east of Lima.

A specialized DIRCOTE team yesterday deactivated 50 kg of dynamite that members of the Tupac Amaru Revolutionary Movement (MRTA) had placed inside a stolen car, which they parked near the Journalism Department of the San Martin University.

In Arequipa, located 1,000 km south of here, a bomb destroyed the door and windows of the Court of Constitutional Guarantees and wounded one of the suspected terrorists who was arrested by the DIRCOTE.

Meanwhile, in Puno, 1,314 km southeast of Lima, three powerful dynamite explosions last night wounded students sleeping in the dormitory of Altiplano University. A police spokesman said that the damage to the building is extensive.

FINANCE MINISTER REPORTS 'PETRODOLLAR' DEVALUATION

PA031838 Paris AFP in Spanish 1851 GMT 29 Jul 87

[Text] Caracas, 29 Jun (AFP) -- Finance Minister Manuel Azpurua has stated that Venzuela today devaluated its petrodollar [dolar petrolero] from 7.50 to 14.50 bolivares to consolidate the situation of its oil industry.

Azpurua stressed that the measure will not only result in greater exchange revenues from oil exports, but in considerable increases in fiscal revenues.

There are three exchange rates in Venezuela:

-- The official rate, at 7.5, is now used for essential imports, to pay the debt, and by the iron industry.

-- The commercial and oil rates, created in December 1986, and which is at 14.50 bolivares, is used for most imports. This resulted in an inflation rate that, according to independent estimates, is at approximately 50 percent this year.

-- The free rate, which sold at 27.55 bolivardes today. This rate had been 30 bolivares per dollar in recent weeks.

The analysts noted that those who promoted the devaluation of the oil dollar are trying to ease pressure on the fiscal deficit foreseen for 1987-1988 with the circulation of more than 10 billion additional bolivares this year.

This deficit will be approximately 50 billion bolivares (20 billion this year and 30 billion in 1988), caused by a budget of decentralized public expenditures that amounts to 200 billion bolivares.

All of this is in the face of oil revenues that have been initially estimated at 45 bolivares and other nonpetroleum revenues estimated at 90 bolivares. In addition, the government is trying to get special revenues by issuing public debt bonds to counter this situation.

As far as Petroven -- the state-owned oil holding company -- is concerned, the measure will curb its exchange losses because it used to get a dollar at a rate of 7.50 bolivares, which the state sold at 14.50, despite the fact that it had to make local payments at that rate.

In addition, Azpurua said that the increase in the exchange revenues will result in great taxes for the treasury.

Analysts stressed that the measure will also promote a resumption in investment plans with the Venezuelan petroleum industry. These plans had been set aside because of a deterioration in the cash flow as a result of the crisis created by the drop in oil prices.

Unofficial sources indicated that the iron industry will soon have an exchange rate of 14.50 bolivares per dollar.

CUBA INTERESTED IN REESTABLISHING RELATIONS

PA040218 Paris AFP in Spanish 1627 GMT 29 Jun 87

[Text] Caracas, 29 Jun (AFP) -- DIARIO DE CARACAS reported today that Cuba is attempting to reopen its embassy in Caracas, closed in January 1980, following the acquittal by a military court of four people involved in the blowing-up of a Cuban plane that killed 73 people in October 1976.

Reporter Cenovia Casas, usually well-informed on Foreign Ministry matters, said that Cuba has put out several feelers on this matter.

Cuban officials told Francisco Lusinchi, brother of Venezuelan President Jaime Lusinchi, during a recent visit to Havana that they wished to reestablish relations, the reporter said.

The reporter recalled that 1 year ago, Cuban authorities expressed their wish to start talks with a view to reopening both embassies, but Venezuela preferred to put the matter off because it was involved in negotiations to refinance its foreign debt.

Among other thorny topics, including the wave of Cuban refugees that went to the Venezuelan Embassy at the beginning of 1980, there is only the case of former boxer Antonio Armenteros, who has been denied safe-conduct out of Cuba.

However, analysts in this capital agree that the specter of the Cubana de Aviacion plane, which blew up shortly after takeoff from Barbados, still seriously threatens relations between Havana and Carcas.

Recently, a civilian court acquitted anti-Castro medic Orlando Bosch, thought to have masterminded the explosion, while Venezuelans Freddy Lugo and Hernan Ricardo, accused of actually carrying out the attack, were given 20-year prison terms.

The fourth man involved, Cuban Luis Posada Carriles, also accused of plotting the attack, escaped 2 years ago from a Venezuelan jail, after two foiled attempts.

Posada Carriles could now be in El Salvador supporting the Nicaraguan anti-Sandinist "contras," according to disclosures at the Irangate hearings.

According to the official Cuban daily, GRANMA, Venezuela must assume its responsibility in the case, and punish those guilty.

A group of three magistrates, headed by German Requera, eighth instructional judge, should give definite sentences. Some weeks ago it was said that the previous sentence might be ratified.

According to the opinion of experts, this would definitely freeze relations between Cuba and Venezuela, which, at the begining of the 1980's, fought over their influence in the Caribbean, and now have mended their ties, Cuban Vice President Carlos Rafael Rodriguez said recently in Georgetown, capital of Guyana.

SURINAME

NATIONAL DEMOCRATIC PARTY OFFICIALLY LAUNCHED

FL062237 Paramaribo International Service in English 1730 GMT 6 Jul 87

[Text] On Saturday the National Democratic Party was officially launched. The building which houses the party headquarters was built within 3 weeks. During the meeting the 5-strong executive board, chaired by Jules Wijdenbosch, was installed. The board can be extended to a maximum of 15 persons. Chairman Wijdenbosch said the party is aimed at the innovation of the Surinamese society. The existing parties were not equipped to supervise the process of innovation, that's why the National Democratic Party was launched, said the chairman. He said the National Democratic Party wants to call a halt to the disintegration of society and that the party will work toward unification of the Surinamese people.

Bouterse Speaks

FL062240 Paramaribo International Service in English 1730 GMT 6 Jul 87

[Text] Every political campaign for the upcoming general election in November will have to be tuned to the idea of national politics. These words were spoken by Commander Desi Bouterse at the launching of the National Democratic Party last Saturday. Bouterse said a process of national politics started after numerous mistakes which threatened to further disintegrate this society. He said the process of national politics started when the think tank was installed on January 25th, 1984, after which political and economic leaders demonstrated the ideas of this process on numerous occasions. The commander said the political parties which do not propagate national politics act against the interest of the people.

REGIONS AROUND CAPITAL FREE OF FIGHTING

FL081326 Bonaire Trans World Radio in English 1130 GMT 8 Jul 87

[Text] The head of Suriname's military police said yesterday that travel in parts of the country previously considered dangerous because of anti-government guerrilla activity are now reasonably safe. Major (Rube Lieuw Jen Tai) said government sweeps to clear regions south and east of the capital, Paramaribo, have been successful and that there have [as heard] been no reported fighting in those areas in at least 2 weeks.

BRIEFS

SURALCO VICE PRESIDENT NAMED -- Engineer R. H. Ramdin is not vice-president and general manager of Suralco [Suriname Aluminium Company]. For the first time in the history of the bauxite industry in Suriname, a Surinamese has been appointed vice president of Suralco. This was stated recently by the chief director of Alcoa, Suralco's mother company. [Excerpt] [Paramaribo International Service in English 1730 GMT 22 Jun 87 FL]